



Florida Department of TRANSPORTATION

Office of Inspector General
Robert E. Clift, Inspector General

Advisory Report No. 14I-9002
Suwannee Valley Transit Authority

February 12, 2015

What We Did

The Florida Commission for Transportation Disadvantaged (Commission) requested this review based upon concerns over labor and fringe benefit data reported to the Commission by Suwannee Valley Transit Authority (SVTA). In response to this request and in coordination with the Agency for Health Care Administration's Office of Inspector General, we obtained and analyzed SVTA's records, interviewed Commission and SVTA staff, and formed the conclusions described within this report.

What We Found

- SVTA's chart of accounts and General Ledger are not maintained in accordance with accounting principles contained in or referenced by the contract terms and conditions.
- SVTA failed to properly manage administrative personnel timesheets, leave, overtime, and compensatory time resulting in inaccurate labor and fringe benefit reporting, unsupported accruals of leave, and unallowed leave payments.
- The SVTA Administrator employed practices, without obtaining Board authorization, which resulted in her personal benefit and the benefit of the Director of Operations. The Administrator and Director of Operations received \$190,340 (\$125,036 and \$65,304 respectively) in unallowed payouts beyond their salaries between June 2012 and March 2014.¹

What We Recommend

Recommendations for each finding above are detailed in this report. To further ensure SVTA's readiness to properly support its serviced population and to achieve greater transparency and fiscal accountability, we recommend the SVTA Board of Directors obtain a thorough analysis of SVTA's job cost accounting system and compensation structure for management employees.

¹ The Administrator and Director of Operations received compensation in addition to salary outside the review period totaling \$64,505 (Administrator - \$33,796, Director of Operations - \$30,709). The supportability of these payments outside the review period was not tested.

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ABBREVIATIONS AND ACRONYMS

1983 Rules	1983 Personnel Rules and Regulations (SVTA)
2012 Rules	2012 Personnel Rules and Regulations (SVTA)
2014 Rules	2014 Personnel Rules and Regulations (SVTA)
Administrator	Suwannee Valley Transit Authority Transit Administrator
Agreement	Interlocal Agreement of 1976
AHCA	Agency for Health Care Administration
Board	SVTA Board of Directors
C.F.R.	Code of Federal Regulations
Commission	Florida Commission for Transportation Disadvantaged
CTC	Community Transportation Coordinators
Department	Florida Department of Transportation
F.A.C.	Florida Administrative Code
F.S.	Florida Statutes
FLSA	Fair Labor Standards Act
FTDP	Florida Transportation Disadvantaged Program
FYE	Fiscal Year-End
LCB	Local Coordinating Board
LLS	Leave Liability Statement
NCFRPC	North Central Florida Regional Planning Council
SVTA	Suwannee Valley Transit Authority
TD	Transportation Disadvantaged

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BASIS OF AUDIT INITIATION

We initiated this review at the request of the Florida Commission for Transportation Disadvantaged (Commission), based upon their concerns over the labor and fringe benefit data reported by Suwannee Valley Transit Authority (SVTA) on its 2012-13 annual operating reports.

Labor and fringe benefit data reported by SVTA in its June 30 annual operating report for 2013 differed significantly from prior year submissions. The initial data submitted to the Commission on September 10, 2013, indicated a fringe benefit rate of 112 percent of labor (see table 1). The data also showed a 15,406 decrease in the number of Medicaid and Transportation Disadvantaged (TD) Trip and Equipment Grant funded trips provided during the 2012-13 fiscal year compared to prior year submissions (see table 2). The Commission's Executive Director contacted SVTA for clarification of the data and based upon this inquiry, SVTA submitted new data within several hours. The new data resulted in a 41 percent fringe benefit rate, which according to the Commission's Executive Director, is still higher than the average of Community Transportation Coordinators (CTCs) statewide.

County		2012	2013		
			Original	Corrected	Difference
Labor	Columbia	\$565,314	\$436,346	\$654,554	\$218,208
	Hamilton	\$141,328	\$153,796	\$230,707	\$76,911
	Suwannee	\$141,328	\$207,685	\$311,544	\$103,859
	subtotal	\$847,970	\$797,827	\$1,196,805	\$398,978
Fringe	Columbia	\$82,957	\$487,886	\$269,678	(\$218,208)
	Hamilton	\$41,479	\$171,962	\$95,052	(\$76,910)
	Suwannee	\$41,479	\$232,216	\$128,357	(\$103,859)
	subtotal	\$165,915	\$892,064	\$493,087	(\$398,977)
Grand Total		\$1,013,885	\$1,689,891	\$1,689,892	\$1
Fringe Rate		20%	112%	41%	

Table 1: SVTA Labor and Fringe Benefit Corrections

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Columbia County	2012	2013	Difference	% change
TD Trip & Equipment	12,299	13,465	1,166	9%
Medicaid	49,810	35,745	-14,065	-28%
subtotal	62,109	49,210	-12,899	-21%

Hamilton County	2012	2013	Difference	% change
TD Trip & Equipment	7,007	4,744	-2,263	-32%
Medicaid	15,174	12,599	-2,575	-17%
subtotal	22,181	17,343	-4,838	-22%

Suwannee County	2012	2013	Difference	% change
TD Trip & Equipment	5,051	6,409	1,358	27%
Medicaid	16,041	17,014	973	6%
subtotal	21,092	23,423	2,331	11%

SVTA Total	105,382	89,976	-15,406	-15%
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An analysis of annual operating data reported by SVTA for FY 2011-12 and FY 2012-13 revealed a 15% reduction in the number of Medicaid and TD grant-funded trips provided.

Table 2: Trips by Funding Source

BACKGROUND

Florida's Transportation Disadvantaged Program

Florida's Transportation Disadvantaged Program, established in 1979, provides cost-effective, coordinated, transportation services to Florida's transportation disadvantaged (TD) population.² The TD population is defined per Section 427.011(1) F.S. as:

"...those persons who because of physical or mental disability, income status, or age are unable to transport themselves or to purchase transportation and are, therefore, dependent upon others to obtain access to health care, employment, education, shopping, social activities, or other life-sustaining activities, or children who are handicapped or high-risk or at-risk as defined in s. 411.202, F.S."

Commission for the Transportation Disadvantaged

The Commission, an independent Governor's commission housed administratively in the Florida Department of Transportation (Department), carries out the provisions of the TD program.³ Although the Commission is administratively housed in the department, it maintains its own rule making and budget authority. The Commission's mission is to ensure the availability of efficient, cost-effective, and quality transportation services for TD persons. The Commission administers the TD Trust Fund which is used to cover administrative expenses and to carry out its statutory obligations. The Commission

² Chapter 427, Part 1 Florida Statutes (F.S.) (2012)

³ Rule 41-2, Florida Administrative Code (F.A.C.)

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provides direct funding to Community Transportation Coordinators charged with the delivery of the coordinated transportation services to Florida's TD citizens.

Designated Official Planning Agency / Local Coordinating Board

The North Central Florida Regional Planning Council (NCFRPC) coordinates transportation planning at the local level and assists the Commission in selecting CTCs to carry out TD services. Designated as the official planning agency, NCFRPC covers an eleven county region, including Columbia, Hamilton, and Suwannee counties serviced by SVTA. NCFRPC's mission is to "Improve the quality of life of the region's citizens, by coordinating growth management, protecting regional resources, promoting economic development and providing technical services to local governments."

Additionally, the NCFRPC responsibilities include appointing and staffing a local coordinating board to assist in identifying local service needs and provide information, advice, and direction to the designated CTCs. NCFRPC designated SVTA as the CTC for the region comprising Columbia, Hamilton, and Suwannee Counties. Figure 1 shows the interrelationships between each of the above-mentioned entities.

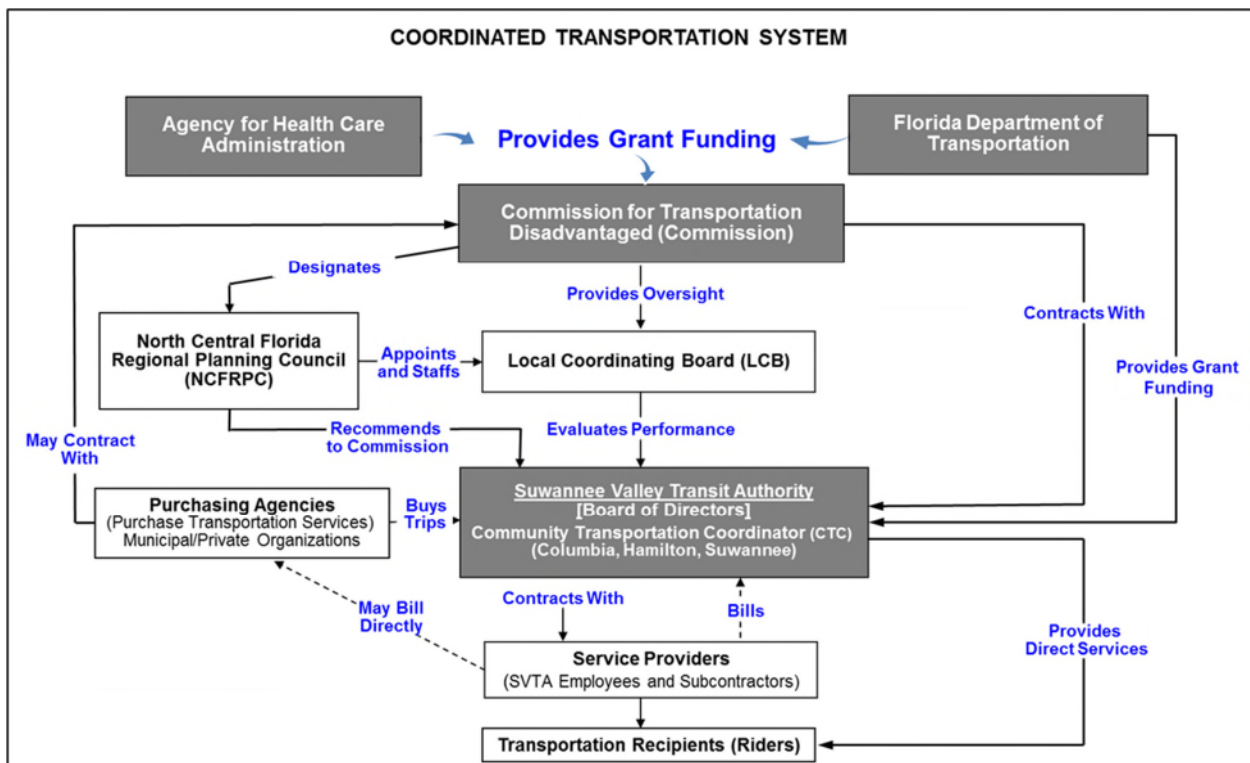


Figure 1: Coordinated Transportation System

Suwannee Valley Transit Authority

SVTA, created in August 1976 by interlocal agreement⁴ (Agreement), is an independent special district charged with providing transportation services. Special districts must cooperate and coordinate activities with principals (the public, counties and municipalities, and state agencies) to which they are accountable. SVTA has limited, explicit authority and is a “public facility” charged with providing specialized government services through a governing board with policy-making powers, as specified in its Agreement and/or in the laws under which it operates.

Per the Agreement, SVTA is governed by a Board of Directors (Board) comprised of six county commissioners (two per county), a representative from the Department, and an additional (ex-officio) non-voting member appointed by the Suwannee River Economic Council.⁵ The Agreement requires a chairman, vice chairman, and secretary/treasurer; each to serve a one-year term. The Board is responsible for making all policies with regard to administration and operations of SVTA. The Board also has the power to accept funds, apply for and receive grants and donations, and expend funds for any lawful purpose consistent with running a transportation system.

The Agreement stipulates, “The Board shall appoint a Transit Administrator, who shall serve at its pleasure, and who shall have the authority, with consent of the BOARD, to employ, assign, promote, transfer, and terminate other system personnel.” The Agreement identifies the following additional responsibilities of the Transit Administrator (Administrator):

- Preparation and submittal of a proposed annual budget for Board approval at least 60 days before the start of the fiscal year, and
- Preparation of monthly operations statement audits to be filed with the Board.

SVTA’s 1983 Personnel Rules and Regulations (1983 Rules),⁶ defines the Administrator as a full time salaried employee directly hired by the Board to manage and control the day-to-day operations. The 1983 Rules delegate the personnel and management functions to the Administrator by the Board. The Administrator is the representative of the Board responsible for implementing, maintaining, and recommending changes to policies concerning pay, benefits, and other aspects of personnel administration for all employees.⁷ Figure 2 provides a high-level overview of SVTA’s organizational structure at the time of our review.

⁴ The Agreement includes Columbia, Hamilton, and Suwannee counties. See Attachment A for the complete agreement.

⁵ The Department and the Suwannee River Economic Council do not currently have representatives serving on the Board.

⁶ SVTA Rules are explained on page 9.

⁷ See Attachment B for additional Administrator roles and responsibilities.

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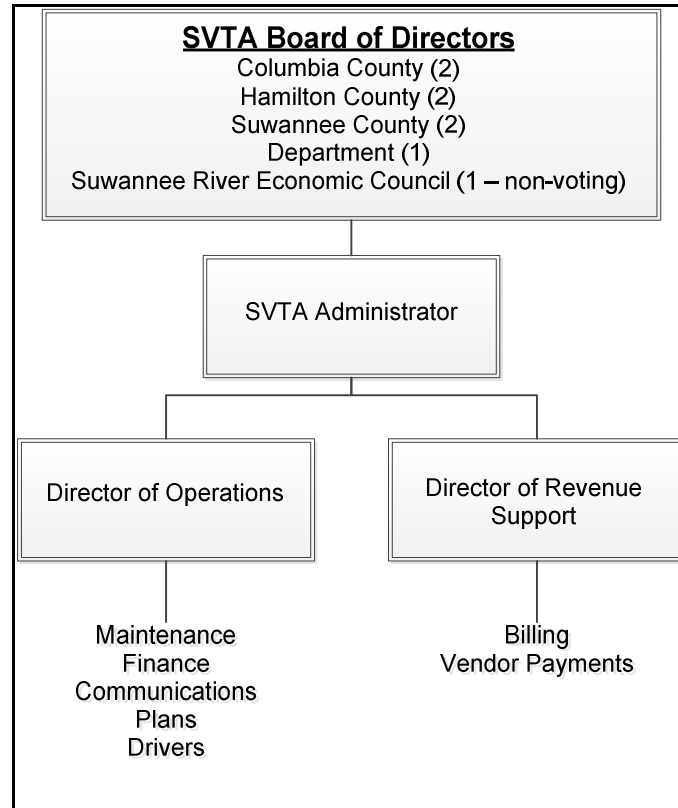


Figure 2: SVTA Organizational Structure

The Administrator during this engagement was Gwendolyn H. Pra, who served from August 15, 2011 to April 21, 2014.⁸ Teresa Fortner, Director of Revenue Support, was designated the Interim Administrator on April 29, 2014.

SVTA's organizational structure also included a salaried Director of Operations to assist in managing the transit authority. The Director of Operations, William (Bill) H. Steele, served from December 15, 2011 to April 30, 2014.⁹ Unlike the Administrator, SVTA Rules do not define the Director of Operations role nor do SVTA's records contain a Director of Operations position description. Steele indicated he was in charge of SVTA's day-to-day operations, personnel, security, maintenance, and logistics. He also stated his duties included opening and checking mail (including bank statements); reviewing time sheets; reviewing all disbursements, bills and checks; reviewing all grant dollars; and questioning any late payments. He indicated he developed policies covering procurement, budgeting, and all other financial policies.

⁸ April 21, 2014 is also the date of Pra's resignation letter.

⁹ On April 29, 2014, the SVTA Board abolished the Director of Operations position, effective April 30, 2014.

SVTA Personnel Rules and Regulations

SVTA staff provided a copy of its 2012 Personnel Rules and Regulations (2012 Rules) developed by Steele and reviewed by Pra. These rules contained a set of policies and procedures governing an array of SVTA's operational activities, including time and attendance reporting, incident reporting, procurement, employee evaluations, and training requirements. The cover page of the document indicated the policies and procedures were adopted by resolution of the Board on March 12, 2012. A copy of the Board resolution, as well as all available Board meeting minutes, were requested in order to verify the Board's approval and formal adoption of the Rules. SVTA staff could not provide a copy of the resolution, but did provide copies of Board meeting minutes for the period 2011 through 2013. The minutes did not contain evidence of Board approval of the 2012 Rules.

On May 13, 2014, the Board acknowledged that the 2012 Rules had not been approved and reverted to the 1983 Rules on a temporary basis. The Board formally adopted a set of rules dated August 12, 2014, at their August 2014 Board meeting. A comparison revealed that the August 2014 rules do not include a number of provisions contained in the 2012 version. The 2014 version rejected changes to overtime/compensatory time, basis of pay, and exempted personnel provisions proposed in the unapproved 2012 version.¹⁰

Funding

The Commission receives Federal Medicaid Non-Emergency Transportation funding from the Agency for Health Care Administration (AHCA) to provide administrative services, coordination services, and transportation services to eligible Medicaid beneficiaries in Florida. The Commission allocates this funding through separate agreements to a network of subcontracted transportation providers¹¹ throughout the state. SVTA is the subcontracted transportation provider for the three-county region comprised of Columbia, Hamilton, and Suwannee counties. The Commission and SVTA executed a Medicaid Non-Emergency Transportation Program Agreement¹² on January 1, 2009, to provide the services stated above.¹³ Since 2009, the allocations under this agreement totaled more than \$13.9 million.

The Commission utilizes Trip and Equipment Grant funds from the TD Trust Fund for the specific purpose of providing passenger trips for non-sponsored TD persons, or for equipment to be used by a CTC.¹⁴ During the period under review, the Commission and

¹⁰ See Attachment C for a comparison of the 1983, 2012, and 2014 rules.

¹¹ For purposes of allocating Medicaid Non-Emergency Transportation funding, recipients are referred to as a subcontracted transportation provider. However, recipients of Trip and Equipment Grant funding through the TD Trust Fund are referred to as a CTC. SVTA receives both types of funding and is thereby the subcontracted transportation provider and the CTC for Columbia, Hamilton, and Suwannee counties.

¹² Agreement BDM60, Financial Project 416043-1-82-01.

¹³ Since 2009, five amendments have been executed to continue these services.

¹⁴ Chapter 427, F.S.

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SVTA executed two grant agreements.¹⁵ The Commission's total funding participation for the two grant agreements was \$1,390,930. Additionally, this funding required a 10% local match (cash generated from local sources), totaling \$154,547 for the two agreements.

Participation in the TD Program requires SVTA to report annual operating statistics for inclusion in the Commission's Annual Performance Report. Historically, the annual operating data has served as the basis for the determination of service rates charged by SVTA for the provision of services under its TD Trip and Equipment Grant funding agreements. Service rates are determined based on the cost of providing TD services and past ridership data. SVTA self-reports annual operating data (passenger trips, vehicle usage, employees, revenues, and expenditures) which is used to calculate the TD service rates. Historical ridership data also forms the basis for SVTA's Medicaid Non-Emergency Transportation funding allocations.

RESULTS OF REVIEW

We identified three findings concerning SVTAs:

1. Non-Compliance with Required Accounting Principles
2. Insufficient Time and Attendance Reporting
3. Unallowed and miscalculated Compensatory Leave Payouts

Additionally, we identified four observations concerning SVTA's:

1. General Ledger Detail
2. Cash Receipts
3. Hiring Practices
4. Board Governance

¹⁵ Grant agreement AQO84 was executed on July 12, 2012 and expired on June 30, 2013. Grant agreement AR161 was executed on July 1, 2013 and expired on June 30, 2014. Both agreements reference Financial Projects 432027-1-84-01 and 432028-1-84-01.

Finding 1 – Non-Compliance with Required Accounting Principles

We determined SVTA’s chart of accounts¹⁶ and General Ledger¹⁷ are not maintained in accordance with accounting principles contained in or referenced by the contract terms and conditions.

SVTA cannot substantiate the allowability of expenditures pursuant to state or federal regulations because expenditures are not separately recorded by program/project or specific revenue sources. Non-compliance with contract provisions and the inability to demonstrate program costs as allowable can result in questioned costs for prior periods and a loss of funding for future periods.

The Code of Federal Regulations (C.F.R.), TD program rules, and contract/grant agreements contain requirements for proper maintenance of accounting records and supporting documentation.

45 C.F.R. 74.21(b)(2) Standards for financial management systems - Recipients' financial management systems shall provide for the following:
Records that identify adequately the source and application of funds for HHS-sponsored activities. These records shall contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, income and interest.

2 C.F.R. 225 provides the basis for determining the allowability of costs charged to federally funded contracts. Determination of whether unallowable costs are charged to a specific revenue source requires the use of separate accounts within an existing accounting system or independent project accounts.

TD program Rule 41-2.007(7), F.A.C., states: “Each Community Transportation Coordinator shall utilize the Chart of Accounts defined in the American Association of State Highway and Transportation Officials, Inc., Comprehensive Financial Management Guidelines For Rural and Small Urban Public Transportation Providers, dated September 1992, incorporated herein by reference, for its financial management.” Also, “...Community Transportation Coordinators with existing and equivalent accounting systems will not be required to adopt this Chart of Accounts but will be required to prepare all reports, invoices, and fiscal documents relating to the transportation disadvantaged

¹⁶ The organization for the accounting system is provided through a **chart of financial accounts**. The chart of accounts provides a uniform and systematic way to record the information necessary to produce the income statement and balance sheet, as well as the additional records needed for reporting to various funding sources. It lists accounts (records of similar transactions), systematically arranged according to assets, liabilities, capital, revenue, and expenses. Source: AASHTO Comprehensive Financial Management Guidelines For Rural and Small Urban Public Transportation Providers (September 1992).

¹⁷ The **General Ledger** represents an entity’s complete record of financial transactions, differentiated as assets, liabilities, equity, revenue, and expenses, over a given period of time.

functions and activities using the chart of accounts and accounting definitions as outlined in the above referenced manual.”

Contract BDM60, Section 3 – Compensation and Payment, requires SVTA to maintain records of all costs incurred under the terms of the agreement in order for a proper audit of project costs to be performed.

Contracts AQO84 and AR161 for TD Trip and Equipment contain the following requirements.

Section 7.10 - Accounting Records: Entities are to establish separate accounts within its existing accounting system or establish independent “project” accounts to properly account for contract expenditures.

Section 7.30 - Costs Incurred for the Project of these same contracts: “The Grantee shall charge to the Project Account only eligible costs of the Project. Costs in excess of the latest approved budget, costs which are not within the statutory criteria for the Transportation Disadvantaged Trust Fund, or attributable to actions which have not met the other requirements of this Agreement, shall not be considered eligible costs.”

Section 7.40 - Documentation of Project Costs and Claims for Reimbursement: All costs charged to the Project, including any approved services contributed by the Grantee or others, shall be supported by properly executed payrolls, time records, invoices, contracts, driver’s manifests, vouchers, vehicle titles, and other detailed supporting documentation evidencing in proper detail the nature and propriety of the charges. Records must be kept to show how the value placed on third party transactions was derived.

Section 7.50 - Checks, Orders, and Vouchers: All checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to the Project shall be clearly identified, readily accessible, within the Grantee’s existing accounting system, and, to the extent feasible, kept separate and apart from all other such documents.

Section 8.30 contains provisions for identifying disallowed costs which cannot be charged against TD revenues.

A. SVTA's chart of accounts is not maintained in accordance with 45 C.F.R. 74.21 (b)(2), 2 C.F.R. 225, and Rule 41-2.007(7), F.A.C., and does not adhere to the matching principle as required by generally accepted accounting principles.

The matching principle requires expenses to be matched to revenues, to the extent feasible, and a cost allocation methodology to be used to allocate shared/indirect costs to different programs/projects and/or activities. The chart of accounts does not contain sub-accounts as needed to separately record revenues, expenditures, and allocated shared/indirect costs.

B. SVTA has not developed a cost allocation methodology to allocate indirect expenditures to Medicaid, TD funding, 5311 funding,¹⁸ and other funding sources (e.g., private pay activities) on an equitable basis consistent with generally accepted accounting principles.

We recommend, as stated in a separate letter¹⁹ dated May 6, 2014, the Board retain an independent management consultant/accounting firm to perform a review and analysis of SVTA's financial situation including a review of the job cost accounting system and internal controls achieved through implementation of segregation of duties and delegated authorities. We also recommended in the May 6 letter, the Board evaluate SVTA's operational readiness to properly service the transportation-disadvantaged population and to properly account for those activities.

We also recommend SVTA develop cost allocation methodology which apportions shared/indirect costs to all programs/projects (funding sources) in an equitable manner consistent with generally accepted accounting principles.

¹⁸ This refers to funding provided through the Federal Transit Administration's Section 5311 Rural Transit Assistance Program, 49 U.S.C. 5311. This funding source is not included in the scope of this review.

¹⁹ See Attachment D, OIG Letter to Board

Finding 2 – Insufficient Time and Attendance Reporting

We determined SVTA failed to properly manage administrative personnel timesheets, leave, overtime, and compensatory time, resulting in inaccurate labor and fringe benefit reporting, unsupported accruals of leave, and unallowed leave payments.²⁰

We judgmentally selected a sample of 12 SVTA employees and compared timesheets, leave liability statements (LLS), payroll summaries, and pay stubs for six pay periods (12 workweeks). Based on the discovery of unallowable payouts of administrative compensatory leave (addressed in Finding 3) and additional exceptions, we separated the Administrator and Director of Operations from the original sample and expanded testing of time and attendance data for both to include all pay periods from June 30, 2012 through March 7, 2014 (88 weeks).

Testing of time and attendance data²¹ for the Administrator and Director of Operations revealed 132 exceptions, (see table 3), concerning significant inconsistencies in source documents, including:

- missing timesheets,
- miscalculation of timesheets,
- inaccurate or incomplete compensatory leave calculations,
- unsupported compensatory time,
- improper or missing deductions of leave time used from the LLS, and
- compensatory leave payouts with no policy basis for, or evidence of, approval.

Exceptions		Pra	Steele	Total
1.	Missing original timesheets (based on workweeks)	54	2	56
2.	Miscalculation of timesheet hours	3	2	5
3.	Pay stub hours do not equal timesheet hours	10	2	12
4.	Compensatory time not supported by original (bi-weekly) timesheet	32	0	32
5.	Compensatory time miscalculated	5	5	10
6.	Timesheet does not equal LLS	1	2	3
7.	Compensatory time not deducted on LLS	2	1	3
8.	Sick leave not deducted from LLS	1	0	1
9.	Holiday hours questioned	2	0	2
10.	Salary plus holiday pay	3	4	7
11.	Overpayment on cash out	1	0	1
Total Exceptions		114	18	132

Table 3: Administrator and Director of Operations Time and Attendance

²⁰ Leave payouts are presented in Finding 3.

²¹ Attachments E and F contain Administrator and Director of Operations' time and attendance details.

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For the other 10 sampled employees (12 workweeks), we identified 11 exceptions (see table 4).²²

Employee	Pay Period	Number of Hours	Exception
Compensatory Time Exceptions			
SVTA-3	7/14/12-7/27/12	7.75	Comp time recorded on the LLS, but not reported on the timesheet.
	12/29/12-1/11/13	.50	Comp time recorded on the LLS, but not reported on the timesheet.
	1/12/13-1/25/13	15.00	Comp time not recorded on the LLS.
SVTA-8	1/12/13-1/25/13	2.75	Comp time not recorded on the LLS.
SVTA-9	6/30/12-7/13/12	.50	Comp time recorded on the LLS, but not reported on the timesheet.
	7/14/12-7/27/12	.25	Comp time recorded on the LLS, but not reported on the timesheet.
SVTA-12	6/30/12-7/13/12	.25	Comp time recorded on the LLS, but not reported on the timesheet.
Hours Worked Exceptions			
SVTA-12	7/14/12-7/27/12	.75	Timesheet did not agree with the LLS resulting in a loss of time to the employee.
SVTA-12	7/14/12-7/27/12	.75	Timesheet did not agree with the LLS resulting in a loss of time to the employee.
SVTA-4	6/30/12-7/13/12	1.00	Underpaid for overtime.
SVTA-2	1/12/13-1/25/13	8.00	Annual Leave not deducted from the LLS.
	1/12/13-1/25/13	8.00	Paid for (floating) holiday ²³ not recorded on the LLS.

Table 4: Exceptions for Sample Employees

Manual processes with calculation errors by SVTA staff, and lack of sufficient monitoring and oversight by the Board, contributed to the exceptions identified in tables 3 and 4. Additionally, until 2012, SVTA operated under incomplete rules and procedures governing time and attendance, last revised in 1983. The 1983 Rules did not clearly set forth the responsibilities of employees and supervisors regarding recording and approving time and attendance transactions. In 2012, the Administrator approved a separate policy²⁴ establishing the requirements for employees' use of a time clock and providing additional detail on reporting compensatory time and overtime. The Administrator and the Director of Operations did not manage their time and attendance consistent with this policy. There is no evidence that the Administrator presented this policy for review or approval by the Board.

²² Employee names have been anonymized.

²³ Pursuant to section 6.7 of SVTA's 1983 Rules, employees are allowed to use one "floating holiday" at their discretion. Though the policy does not specify the timeframe, it is reasonably assumed that this means one per year.

²⁴ Policy #2012-014, ICON Universal Time Clock Policy (updated 2-11-14).

These exceptions indicate a general lack of consistency and uniformity in the reporting and recording of employee time and attendance data. Erroneous or inconsistent reporting of this data has direct implications for the accrual and use of employee leave (and its effect on SVTA's true leave liability), the accuracy of SVTA payroll, and the reporting of labor and fringe benefit data in its annual operating report to the Commission. Accurate time and attendance data plays a critical role in SVTA's ability to manage its financial resources in a prudent and responsible manner. Additionally, the lack of accurate time and attendance data hinders SVTA's ability to formulate accurate budget forecasts and service rates for future periods.

We recommend the SVTA Board ensure consistent adherence to time keeping policies and establish effective oversight of administrative processes for recording reported time and attendance data.

Finding 3 – Compensatory Leave Payouts

The Administrator employed practices, without obtaining Board authorization, which resulted in her personal benefit and the benefit of the Director of Operations.

We also determined, from June 30, 2012 to March 7, 2014, Gwendolyn Pra and William Steele received \$190,340 in unallowable (and miscalculated) leave and compensatory payouts beyond their SVTA fixed annual salaries.²⁵

Section 13(a)(1) of the Fair Labor Standards Act (FLSA) exempts certain classes of employees from federal minimum wage and overtime requirements based upon a duties test. The following excerpt from FLSA Fact Sheet #17A²⁶ provides an explanation of the duties tests applicable to executive employees:

Executive Exemption

To qualify for the executive employee exemption, all of the following tests must be met:

- The employee must be compensated on a salary basis (as defined in the regulations) at a rate not less than \$455 per week;
- The employee's primary duty must be managing the enterprise, or managing a customarily recognized department or subdivision of the enterprise;
- The employee must customarily and regularly direct the work of at least two or more other full-time employees or their equivalent; and
- The employee must have the authority to hire or fire other employees, or the employee's suggestions and recommendations as to the hiring, firing, advancement, promotion or any other change of status of other employees must be given particular weight.

Figure 3: Fair Labor Standards Act - Executive Exemption Criteria

The provisions of the FLSA apply to employees of state and local governments per 469 U.S. 528 (1985), *Garcia v. San Antonio Metropolitan Transit Authority*.

We determined Pra meets the FLSA definition of an exempt employee, based upon a review of her salary structure and job duties as identified in the Administrator position description,²⁷ as well as section 4(d)2 of the Agreement.²⁸ Based on Steele's position, as Director of Operations, and salary, we determined he also meets the FLSA definition of an exempt employee.

²⁵ For the 21 months reviewed, June 2012 to March 2014.

²⁶ Revised July 2008.

²⁷ See Attachment B, Administrator Responsibilities.

²⁸ See Attachment A, Interlocal Agreement.

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In addition to FLSA guidance, the 1983 Rules contain provisions prohibiting payment of overtime.

Section 6.4.E: Exempted Personnel - **In no event will overtime be paid to employees considered as supervisors or professional personnel** [emphasis added], except as allowed in Section 6.4.D. (Section 6.4.D refers specifically to work performed on Board-designated legal holidays.)

Section 6.5.A: Administrative Staff - **Office personnel are paid a fixed annual salary based on a 40-hour week. Overtime pay is not authorized for office staff (including Operations Manager)** [emphasis added] but compensatory time off at a rate equal to one and one-half time the extra time worked will be approved. All schedules leading to such compensatory overtime must be approved in advance.

Compensatory time (comp time), according to FLSA, is "...paid time off the job that is earned and accrued by an employee instead of immediate cash payment for working overtime hours. The use of comp time instead of overtime is limited by Section 7(o) of the FLSA to a public agency that is a state, a political subdivision of a state, or an interstate governmental agency." In addition, Section 5.4 of the 1983 Rules states, "Compensatory time, when granted, will be at the rate of time and one-half for each hour worked over the standard 40-hour workweek. Supervisory personnel are generally granted compensatory time."

Overtime, according to FLSA, is additional compensation granted to an eligible (non-exempt) employee at 1.5 times the employee's normal rate of pay for time worked beyond the employee's 40-hour workweek.

Therefore, according to FLSA, **overtime is additional pay, and comp time is paid time off**.

In 2012, the Administrator approved modifications to the 1983 Rules, and operated under these rules without obtaining Board consent.²⁹ The modifications included revisions to allow payment for overtime [compensatory] for the Administrator and exempt staff otherwise excluded from FLSA. The modifications below are in direct contrast to the 1983 Rules shown above.

5.4.B Generally, administrative personnel are given comp time in lieu of overtime pay. Upon approval of the Administrator, **comp time may be cashed in or carried over as needed** [emphasis added].

²⁹ See Attachment C for a Rules comparison.

6.4.E(a) In general, employees considered as supervisors or professional personnel (Exempt) will not be authorized "over-time pay", except as allowed in Section 6.4 D or authorized by Administrator. As deemed appropriate by the Administrator, **Exempted Personnel MAY request to "cash in" amounts of overtime if mission and/or work requirements dictate** [emphasis added] and do not allow the use of compensation time to be used in a timely manner.

6.4.E(b) **The Administrator is authorized compensation for overtime** [emphasis added] IAW standard SVTA policy Chapter 6.4E. For any over-time performed by the Administrator, the Administrator will report such over-time to the Board Member representing Suwannee County.

Understanding SVTA's Comp Time Accrual Calculation

SVTA operates on a bi-weekly pay cycle; however, exempt employees accrue comp time on a weekly basis at a rate multiplier of time and a half (1.5). Accruing time on a weekly basis instead of bi-weekly allows SVTA exempt employees to book additional hours. If an exempt employee works less than 40 hours in one of the two weeks in the period, the employee could possibly net additional comp time. For example, as shown in table 5, using a weekly accrual method, if an exempt employee works 50 hours in week 1 and 30 hours in week 2, they net 5 hours of comp earned. Using a bi-weekly accrual method this same scenario would result in zero net comp hours earned.

		Weekly Accrual			Bi-Weekly Accrual		
	Total Hours Worked	Hours Over Standard 40	Total Comp (1.5 Multiplier)	Resulting Calculation	Hours Over Standard 40	Total Comp (1.5 Multiplier)	Resulting Calculation
Week 1	50	10	15	15	10	-	10
Week 2	30	-10	-	-10	-10	-	-10
Net Comp Time Accrued				5	Net Comp Time Accrued		0

Table 5: Weekly vs. Bi-Weekly Accrual Example

Efforts to Reduce Employee Overtime

During Pra's tenure, several efforts were made to reduce SVTA's overtime liability, including:

- On August 15, 2011, Pra emphasized to the SVTA Board the negative impact overtime was having on SVTA operations, noting, "...overtime was excessive and forcing the agency further into the red."
- On August 9, 2012, Pra approved an "Exception to Policy (Authorizing cash in of 'excessive' compensatory over time)" memorandum.³⁰ This memorandum created an exception to SVTA's policy that disallowed the cashing in of comp time by administrative employees. This one-time exception was meant to allow employees to reduce their comp leave balances by cashing in portions of the accrued time. A review of SVTA Board minutes revealed no evidence this exception was presented to the Board for consideration and approval. The exception memo did not include the time period exempt employees would be allowed to cash out compensatory pay or the date the policy exception authorization would expire.
- On September 24, 2012, Pra submitted a memorandum³¹ to the Board requesting approval for a policy change in the structure of SVTA's overtime-eligible employees pay periods. Pra recommended modifying these employees' pay periods from weekly to bi-weekly. The purpose of the recommended change in policy was to, "...make adjustments so efforts can be made to reduce overtime when appropriate." A review of SVTA Board minutes revealed no evidence this memorandum was approved by the Board.

³⁰ Written and submitted by Steele, see Attachment G, Exception to Policy.

³¹ See Attachment H, Memorandum to Board.

Overview of Administrator Pra's Total Compensation

Pra started as the Administrator on August 15, 2011, with an initial salary of \$70,000, and in accordance with her employment offer letter,³² Pra received an increase to \$75,000 after six months. On October 1, 2013, Pra received an additional five percent salary increase to \$78,748.³³

From June 30, 2012 to March 7, 2014, Pra received total compensation of \$255,444, of which \$125,036³⁴ (49 percent) was for unallowable (and miscalculated) leave and compensatory payouts beyond her SVTA fixed annual salary.³⁵ The following graphic depicts an overview of Pra's compensation for this period; outlined circles indicate areas of questioned payouts. Detailed explanations for each questioned payout are provided on the pages following the graphic.

³² See Attachment I, Pra employment offer letter.

³³ Salary at the date of Pra's resignation on April 21, 2014.

³⁴ This amount excludes Pra's approved bonus of \$1,846.45 and unquestioned operations comp payout of \$414.69. See Attachment J, Pra's Additional Compensation (6/30/12 – 3/7/14).

³⁵ The period of our review was June 30, 2012 through March 7, 2014. Although the Administrator received compensation in addition to her salary outside this review period totaling \$33,796, the supportability of these payments was not tested.

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Administrator Pra's Compensation (June 30, 2012 - March 7, 2014)

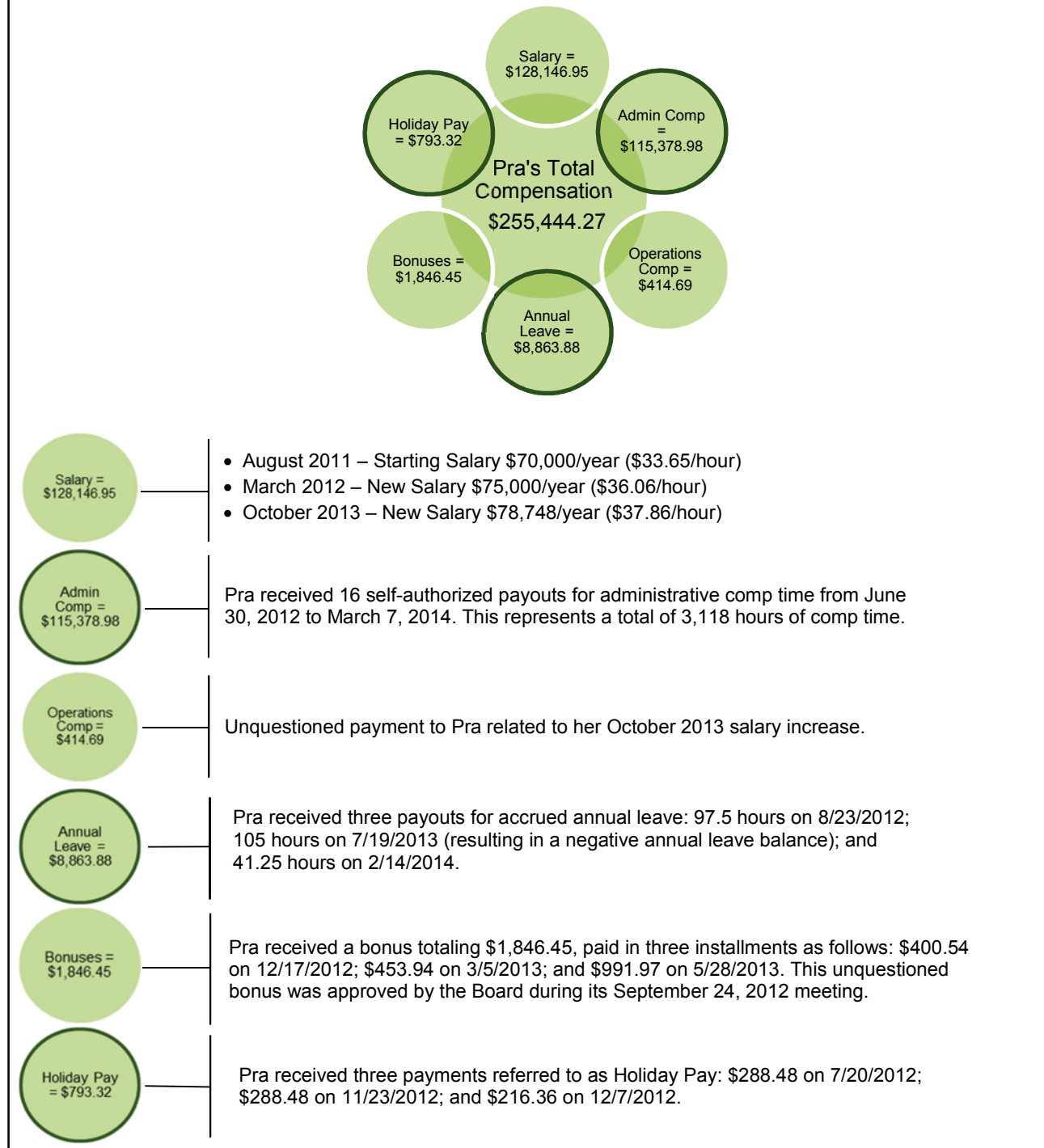


Figure 4: Administrator Pra's Compensation

The accrual and unallowable payout of Pra's compensatory time is not supported by reliable and valid documentation.

Compensatory Leave Payouts



From June 30, 2012 to March 7, 2014, Pra self-authorized and received 16 payouts of administrative compensatory leave time, totaling \$115,378.98. These payouts represented 3,118 hours of comp time. Due to the absence of valid time and attendance records for the period, as well as the lack of Board-approved policies allowing exempt employees to cash in compensatory leave time, these 16 payouts are considered questioned costs.

Constructed Timesheets and Leave Liability Statement

In July 2013, SVTA staff increased Pra's comp time on SVTA's LLS by 1,217³⁶ hours for the period from June 2, 2012 to July 12, 2013. SVTA categorized the need for this increase as a recording error, which occurred during the period.

On November 14, 2013, SVTA sent a package of documents³⁷ to their CPA to support the adjustments made to Pra's comp time and leave. SVTA staff stated this package was submitted in response to SVTA's annual financial audit. The package contained a cover letter and handwritten note describing the adjustments, a listing of Pra's calendar items for the period, and adjusted LLS for 2012 and 2013. Additionally, the package contained timesheets³⁸ constructed by SVTA staff and certified by Pra (dated September 30, 2013) as a recording of her work hours for the period October 1, 2012 to September 20, 2013 (51 workweeks).³⁹ These hours were purported to represent the period SVTA staff stated no original timesheets were available. The package did not contain supporting timesheets for the period June 2, 2012 to September 30, 2012 (17 workweeks), nor was SVTA able to produce timesheets for this period.

The handwritten note, submitted to the CPA, states Pra's normal workweek included 13 hours per weekday, 6 hours per Saturday, and 4 hours per Sunday [75-hour workweek]. Our analysis of the constructed timesheets indicates she recorded an average of 67.75 hours per week. A comparison to 54 original timesheets disclosed Pra recorded an average of 48 hours per week.⁴⁰ Constructed timesheets record 19.75 hours per workweek greater than the average documented on original timesheets.⁴¹

³⁶ The supporting information for 1,217 comp hours states "Brought Gwen Pra's Comp Time up from 427.75 to 1698.75." The actual difference is 1,271 (1,698.75 – 427.75) hours. In addition to this math error, the supporting LLSs do not contain either of the numbers used for the calculation.

³⁷ See Attachment K, Pra's Compensatory Package to CPA.

³⁸ The constructed timesheets are not in the standard SVTA timesheet format.

³⁹ This timeframe correlates to SVTA's financial fiscal year.

⁴⁰ The calculation excludes four weeks where there are zero hours recorded.

⁴¹ See Attachment L, Comparison of Pra's Average Hours.

In addition, the constructed timesheets reflect Pra certified at least 75 hours for 30 of the 51 workweeks (59 percent); however, the 54 workweeks documented on original timesheets indicate Pra worked just one week with at least 75 hours.

In November 2013, SVTA applied an additional increase of 735.25 hours to Pra's compensatory leave balance. SVTA stated in the CPA package the reason for this increase was due to not applying the comp time multiplier (1.5) to the LLS adjustments made from June 2, 2012 to September 20, 2013. This compensatory leave adjustment resulted in a leave liability increase for Pra of \$27,836.57.⁴²

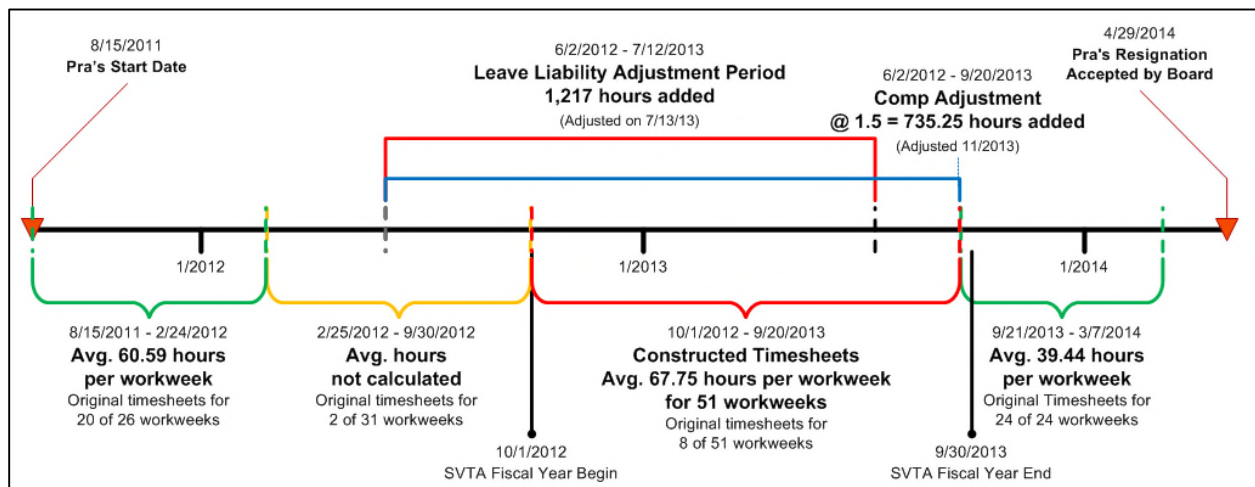


Figure 5: Pra's Timeline

Original Pra Timesheets

For the 51-workweek period, Office of Inspector General (OIG) staff discovered four original Pra timesheets (representing eight workweeks) in SVTA's storage shed. A comparison⁴³ of Pra's original timesheets to Pra's constructed timesheets disclosed **Pra received 82 additional unearned work hours** for these eight weeks, detailed in table 6. This credit resulted in the accrual of unearned comp time at the rate of 1.5 (or 123 hours).

⁴² Based on Pra's October 1, 2013 salary of \$78,748 (\$37.86/hour).

⁴³ See Attachments M-P, Comparisons of Pra's original timesheets to constructed timesheets.

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Work Week		Sat	Sun	Mon	Tue	Wed	Thu	Fri	Total Hours
11/3/12-11/9/12	Original	8	-	12.5	-	12.25	8.25	11	52
	Constructed	6	4	13	13	13	13	13	75
11/10/12-11/16/12	Original	10	3.5	11.5	13.5	12	9	11	70.5
	Constructed	6	4	13	13	13	13	13	75
6/29/13-7/5/13	Original	5.5	-	12	10	-	8	-	35.5
	Constructed	off	off	18	18	Vac		Vac	36
7/6/13-7/12/13	Original	-	-	13	7.5	11.5	9.5	-	41.5
	Constructed	Vac	Vac	Vac	Vac	21	22	21	65
7/13/13-7/19/13	Original	4.75	-	8	8	8	13.75	7.75	50.25
	Constructed	off	off	13	13	13	13	3.75	55.75
7/20/13-7/26/13	Original	8.75	-	8	8	10	8	8	50.75
	Constructed	off	off	13	13	13	13	3.75	55.75
7/27/13-8/2/13	Original	-	-	0.75	10.75	8	7.75	4.75	32
	Constructed	off	off	13	13	13	13	13	52 ⁽¹⁾
8/3/13-8/9/13	Original	8	-	8	-	-	8	8	40 ⁽²⁾
	Constructed	off	off	8	8	8	8	8	40
Total Original									372.5
Total Constructed									454.5
Difference									82

Table 6: Pra's Original Timesheets compared to Pra's Constructed Timesheets

Notes (1) (2): See attachment P, Pra's Timesheet Comparison 4 (7/27/13 – 8/9/13)

The 82-hour difference of the eight workweeks represents an average of 10 unearned work hours per workweek. If this sample is representative of the entire constructed timesheet period, Pra's recorded work hours could be overstated by 510 unearned hours, which equals 765 hours after the application of the 1.5 comp time multiplier.

There is no documentation to support the accuracy of the hours recorded on the constructed timesheets. In addition, the constructed timesheets contain unsupported assumptions concerning Pra's standard workweek. SVTA created the timesheets to justify Pra's October 2012 - September 2013 adjusted LLS. Since the hours recorded are not reliable or valid, the adjustment to Pra's LLS is not valid.

In addition to the comparisons noted above, we identified original and revised Pra timesheets for the pay period 1/28/12 – 2/10/12.⁴⁴ The daily time entries recorded on the revised timesheet do not match the hours recorded on the original timesheet for all days recorded.⁴⁵ The revised timesheet resulted in an additional unsupported 14.75 hours credited to Pra's comp time balance.

⁴⁴ This period was outside the scope of our review.

⁴⁵ See Attachment Q – Pra's Timesheet Comparison 5 – Pay Period 1/28/12 – 2/10/12

Understanding the Impact of a 75-hour Workweek

Based on the 75-hour assumption, Pra received 52.5 hours of comp time per week resulting in a potential weekly comp payout of \$1,893.15, as shown in figure 6.⁴⁶

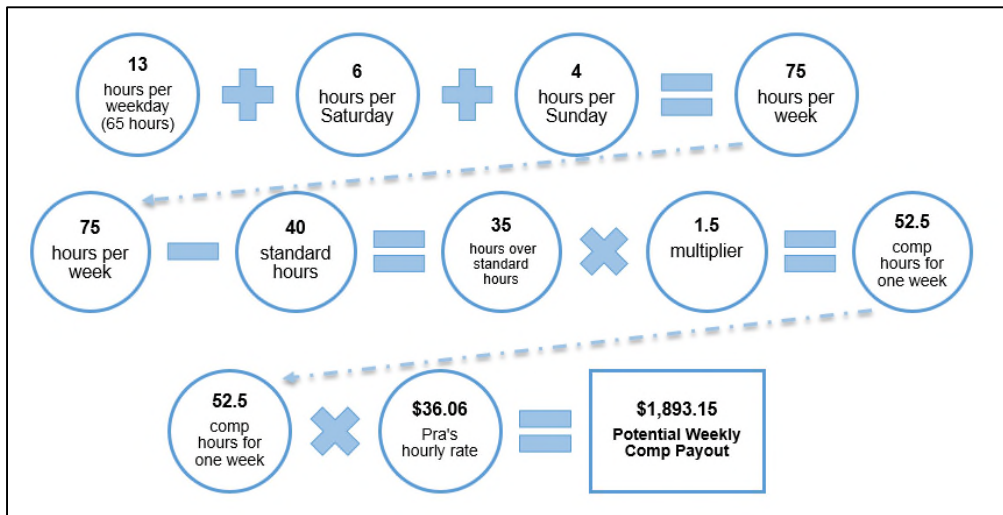


Figure 6: Understanding the Impact of a 75-hour Workweek

Annual Leave

During the period tested, Pra also received three payouts for accrued annual leave totaling \$8,863.88. Of particular significance is the 7/19/2013 payout, for which Pra received \$3,786.30 for 105 hours of annual leave. At the time of the payout, Pra's annual leave balance was 90 hours (86.25 hours plus 3.75 hours accrued during the 6/29-7/12 pay period). This 105-hour payout resulted in a negative annual leave balance and Pra receiving payment for 15 hours of annual leave not yet earned (see figure 7). It took four pay periods to eliminate this negative balance through the normal accrual of annual leave.

Annual Leave = \$8,863.88

NAME : Gwendolyn Pra		37.50	
DATE EMPLOYED: 8/15/2011		ANNUAL LEAVE	
PAY PERIOD DATES	EARN	USED	BAL
6/15-6/28	3.75	0.00	86.25
6/29-7/12	3.75	105.00	-15.00
7/13-7/26	3.75	0.00	-11.25
7/27-8/9	3.75	0.00	-7.50
8/10-8/23	3.75	0.00	-3.75
8/24-9/6	3.75	0.00	0.00

Figure 7: Pra's 2013 Leave Liability Statement Excerpt

⁴⁶ Pra's hourly rate of \$36.06 is based on her annual salary of \$75,000 she received during this period.

According to Section 7 of the 1983 Rules, an employee may be paid for up to 240 hours of accrued annual leave **upon an employee's retirement, resignation, or other separation from employment in good standing** [emphasis added], contingent upon the employee meeting SVTA's eligibility criteria. The 1983 Rules do not include an allowance for the payout of annual leave under any other circumstances. As a result, these three annual leave payouts are considered questioned costs.

Holiday Pay



Pra received three payments referred to as Holiday Pay: \$288.48 on 7/20/2012; \$288.48 on 11/23/2012; and \$216.36 on 12/7/2012. These three payments were in addition to her fixed annual salary.

Additional items noted

Bonus Payments

During the September 24, 2012 meeting, the Board considered and rejected SVTA's request for a 5% merit raise for its employees. Instead, the Board unanimously approved a 5% bonus for all employees (\$54,473 to be divided equally among SVTA's 35 employees.) Pra received a total bonus of \$1,846.45, which was paid in three installments, as follows: \$400.54 on 12/17/2012; \$453.94 on 3/5/2013; and \$991.97 on 5/28/2013. Though no documentation was located to support this payment structure, a review of SVTA's General Ledger indicates all employees' bonuses were paid in three installments on these same dates.

Holiday Hours Questioned

The constructed timesheets indicate Pra worked 26 hours on the Thursday and Friday of Thanksgiving 2012.

Comp Time Not Deducted From Leave Liability Statement

The comparison of Pra's constructed timesheets to SVTA's LLS and pay stubs for the same period revealed two instances in which Pra used comp time but the hours were not deducted from the LLS.

1. For the pay period 12/15/12 – 12/28/12, Pra's constructed timesheets indicate she used 40 hours of comp time. Her pay stub for the same period indicates she used 48 hours of comp time.
2. For the pay period 3/23/13 – 4/5/13, Pra's constructed timesheets indicate she used 40 hours of comp time. Her pay stub for the same period indicates she used 38 hours of comp time.

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Since the comp time was not deducted from the LLS, Pra was able to use the same comp time more than once. In this case, using the comp hours listed on the pay stubs, Pra used 86 hours of comp time during the two periods, then was able to cash out the same 86 hours later. This 86-hour surplus resulted in additional \$3,101.16⁴⁷ compensation for Pra.

Sick Leave Not Deducted From Leave Liability Statement

For the pay period 12/29/12 – 1/11/13, the constructed timesheets (see table 7) reflect 32 hours of sick leave used during week 2. However, no leave or comp time was deducted from Pra's LLS. In fact, SVTA recorded 15 hours of unsupported comp time as earned during the pay period.

Work Week		Sat	Sun	Mon	Tue	Wed	Thu	Fri	Work Hours Recorded	Sick Leave Hours	Holiday Hours	Total Hours	Comp Recorded
12/29/12-1/4/13	Constructed	14	12	13	8H	SL	SL	SL	39	0	8	47	0
1/5/13-1/11/13	Constructed	SL	SL	SL	SL	SL	SL	8	8	32	0	40	0
Total Hours									47	32	8	87	0
Leave Liability Statement										0	8		15

Table 7: Pra's Sick Leave Not Deducted

Overpayment - Cash Out

On October 11, 2013, Pra received a miscalculated comp time cash out which included an additional unearned \$250. This error occurred due to the application of the wrong rate of pay (Pra's rate at the time was \$37.86/hour, but \$38.86 was applied to the payout (see figure 8).

Employee Pay Stub		Check number:		Pay Period: 09/21/2013 - 10/04/2013		Pay Date: 10/11/2013	
Employee							
Gwendolyn H Pra, [REDACTED]							
Earnings and Hours		Qty	Rate	Current	YTD Amount	Direct Deposit	
Admin Hourly		39:30	36.06	1,424.37		Checking [REDACTED]	Amount
Admin Hourly		29:00	37.86	1,097.94	2,522.31		8,991.45
Operations - Comp		11:30	36.06	414.69	414.69	Paid Time Off	
Admin - Comp		260:00	38.86	9,715.00	58,756.60	Earned	YTD Used
Administration Salary					2,884.62	Sick	Available
Admin Holiday Pay - S					1,747.96	Vacation	210:00
Admin Hourly Vacation					3,786.30		7:30
Bonus-OP					1,445.91	Non-taxable Company Items	
Admin-Salary					53,059.82	Current	YTD Amount
		330:00		12,652.00	124,818.21	Dental Insurance (company paid)	12.59
						Vision Insurance (company paid)	2.33
							62.95
							11.65

Figure 8: Pra's 10/11/13 Pay Stub

⁴⁷ Based on Pra's salary of \$75,000 converted to the hourly rate of \$36.06.

Overview of Director of Operations Steele's Total Compensation

William H. (Bill) Steele was hired by Pra on December 20, 2011, as the SVTA Director of Operations at an initial salary of \$59,904. SVTA records do not contain a position description of his role and responsibilities. The SVTA Board of Directors eliminated Steele's position, effective April 30, 2014. His salary at the time of his separation was \$71,427, representing an increase of 19% since his start date 22 months earlier.

From June 30, 2012 to March 7, 2014, Steele received total compensation of \$179,299, of which \$65,304.15⁴⁸ (36 percent) was for unallowable leave and compensatory payouts beyond his SVTA fixed annual salary.⁴⁹ The graphic on the following page depicts an overview of Steele's compensation for this period; outlines indicate questioned payouts.

⁴⁸ This amount excludes Steele's approved bonus of \$1,846.45. See Attachment R, Steele's Additional Compensation (6/30/12 - 3/7/14)

⁴⁹ The period of our review was June 30, 2012 through March 7, 2014. Although the Director of Operations received compensation in addition to his salary outside this review period totaling \$30,709, the supportability of these payments was not tested.

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Director of Operations Steele's Compensation (June 30, 2012 – March 7, 2014)

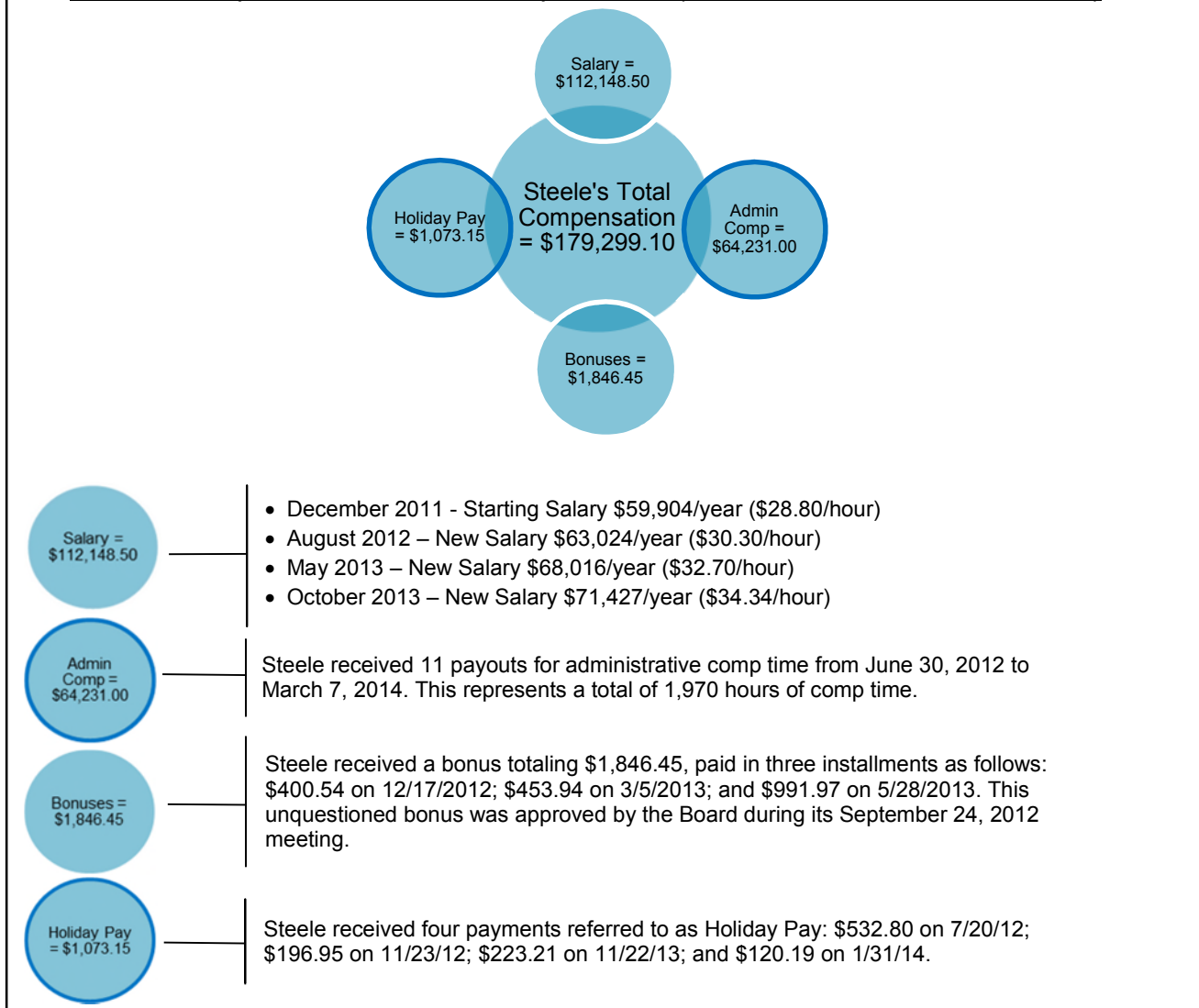
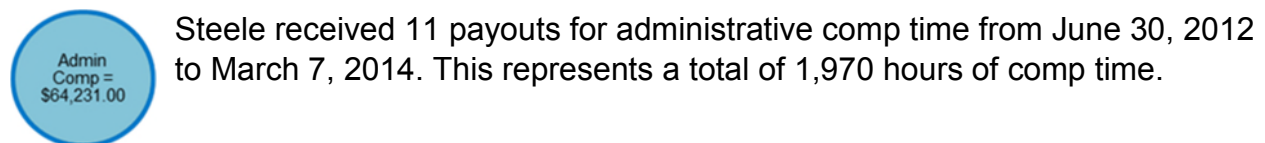


Figure 9: Director of Operations Steele's Compensation (June 30, 2012 - March 7, 2014)

The accrual and unallowable payout of Steele's compensatory time is not supported by reliable and valid documentation as explained below:

Compensatory Leave Payouts



Holiday Pay



Steele received four payments referred to as Holiday Pay: \$532.80 on 7/20/12; \$196.95 on 11/23/12; \$223.21 on 11/22/13; and \$120.19 on 1/31/14. These four payments were in addition to his fixed annual salary.

Additional Items Noted

Bonus Payments

During the September 24, 2012 meeting, the Board considered and rejected SVTA's request for a 5% merit raise for its employees. Instead, the Board unanimously approved a 5% bonus for all employees (\$54,473 to be divided equally among SVTA's 35 employees.) Steele received a total bonus of \$1,846.45, which was paid in three installments, as follows: \$400.54 on 12/17/2012; \$453.94 on 3/5/2013; and \$991.97 on 5/28/2013. Though no documentation was located to support this payment structure, a review of SVTA's General Ledger indicates all employees' bonuses were paid in three installments on these same dates.

Finding Summary

The Administrator and Director of Operations employed practices that resulted in payments for compensatory time which did not comport with the guidelines in the FLSA as they pertain to salaried managerial employees. The Administrator disregarded the provisions of Board approved 1983 Rules and implemented modifications to these provisions without the authorization of the Board. Additionally, fiscal oversight by the Board was not sufficient to detect the potential impact of these practices on SVTA's operations and its ability to serve its TD client population.

We recommend the Board implement fiscal oversight controls to strengthen accounting practices, prevent unallowable payouts for salaried managerial employees, and optimize the fiscal resources available to provide services to its client population. Additionally, the Board needs to determine appropriate action concerning the questioned costs identified in this finding.

OBSERVATIONS

Observation 1: General Ledger Detail

A. SVTA's expenditure data for fiscal years ending (FYE) 9/30/12 and 9/30/13 were not categorized in the General Ledger in a consistent and uniform manner.

A comparison of FYE 9/30/12 to FYE 9/30/13 General Ledger data revealed significant variances in revenues and expenditures. SVTA's Finance Managers were unable to provide explanations for some specific year-to-year fluctuations, noting that transactions recorded in its General Ledger account categories have not been consistently assigned to the same accounts each year. For example, fare box revenues (co-pays from riders) decreased 56% (\$34,200) from 2011-12 to 2012-13. SVTA's Finance Manager indicated that transactions included in the 2011-12 fare box revenue account were categorized incorrectly.

B. SVTA's adjusted General Ledger does not tie to its audited financial statements.

For FYE 9/30/12, revenues recorded in the General Ledger exceeded the actual revenues noted in the comprehensive annual financial report (CAFR) by \$189,585 after adjusting entries were applied (see table 7). For this same period, the General Ledger expenditures exceeded the actual expenditures noted in the CAFR by \$967,836 after the adjusting entries were applied.

For FYE 9/30/12, General Ledger revenues and expenditures were \$25 and \$275,125, respectively, higher than the actual amounts included in the CAFR, after application of end-of-year adjusting entries (see table 8). This is despite SVTA's independent auditor providing a comprehensive list of adjusting General Ledger entries to SVTA to facilitate reconciliation to the audited financial statements.

SVTA	GL Oct 1- Sept 30, 2012	CAFR FYE Sept 30, 2012	Variance	GL Oct 1- Sept 30, 2013	CAFR FYE Sept 30, 2013	Variance
Total Revenues	\$3,940,434	\$3,750,849	\$189,585	\$3,781,857	\$3,781,832	\$25
Total Expenditures	\$4,056,157	\$3,088,321	\$967,836	\$3,826,306	\$3,551,181	\$275,125

Table 8: General Ledger Comparison/CAFR Comparison

It should be noted that SVTA maintains its accounting records on a September 30 fiscal year end; SVTA reports annual operating data to CTD on a June 30 fiscal year end basis. The General Ledger detail is used to develop SVTA's annual operating reports detailing SVTA program revenues and expenditures. Information obtained from the General Ledger is used to develop SVTA's annual

rate model worksheets, which form the basis for determining transportation disadvantaged service rates.

The data compiled in the General Ledger is also a critical component of SVTA's development of annual budget forecasts.

Observation 2: Cash Receipts

SVTA does not require sub-contracted drivers to provide receipts to TD riders for co-pays.

The Florida Medicaid Non-Emergency Transportation Provider Handbook includes provisions authorizing transportation providers to charge Medicaid beneficiaries a co-payment of \$1 per trip or \$2 per round trip. Medicaid services cannot be denied based upon an individual's inability to pay. TD riders are required to pay the dollar co-pay.

SVTA employee drivers provide riders receipts and duplicate copies are turned into SVTA's accounting office. SVTA's sub-contractor agreements do not require sub-contracted drivers to provide receipts to riders. Instead, subcontracted drivers submit billing reports to the SVTA detailing trips by rider. These reports contain a section to account for fares/co-pays collected. The billing reports issued do not contain rider signatures to verify the amount remitted.

A judgmental sample of 12 Medicaid riders was selected for four invoice periods consisting of a total of 47 Medicaid trips. There were no receipts for the 34 trips provided by sub-contracted transportation providers.

SVTA staff stated subcontracted drivers are exempt from providing receipts for co-pays to reduce the administrative burden.

Receipts with verification signatures help to provide control over the collection of cash, ensuring that the amounts collected from riders reconcile to the amounts submitted to SVTA.

Observation 3: Hiring Practices

William (Bill) H. Steele served as SVTA's Director of Operations, from December 15, 2011 to April 30, 2014. **SVTA personnel files for Steele did not contain verifiable background information, including any indication of educational history, work history, or references checked. Additionally, a Director of Operations position description did not exist.**

Records obtained from the United States Disciplinary Barracks in Ft. Leavenworth, Kansas, state Steele⁵⁰ was convicted of five counts of violations of the Uniform Code of Military Justice (UCMJ). As a result, in 2007 Steele was dismissed,⁵¹ reprimanded, required to forfeit all pay and allowances, and sentenced to serve two years confinement (including time served). He was released from confinement in September 2008.

Steele's SVTA personnel file did not contain references to this conviction.

SVTA procedures do not prescribe a hiring process, including requiring an application or reference checks. A formal procedure to ensure pre-employment screening, including a Level 2 background check when required by Medicaid provisions, may prevent similar hiring issues in the future. Additionally, a formal procedure will help ensure adherence to applicable laws, rules, and regulations.

Observation 4: Board Governance

The Board is primarily responsible for providing transportation services to the TD population in the three-county region. The Board is also responsible for ensuring a sufficient level of oversight over SVTA's operations and fiscal accountability. This includes properly safeguarding assets and ensuring compliance with applicable laws, rules, regulations, and required accounting practices. Effective Board governance includes setting the vision and mission for the organization and establishing the broad policies and strategic direction that enable the organization to fulfill its purpose.

In addition to the findings and observations noted within this report, we identified several Board responsibilities requiring attention, including:

- inadequate documentation of Board decisions and resolutions;
- inaccurate and incomplete Board meeting minutes;
- lack of officer (Chairman) rotation; and
- lack of a current interlocal agreement.

⁵⁰ At the time of the conviction in 2007, Steele served as a Lieutenant Colonel in the Army Reserves.

⁵¹ Dismissal is the officer equivalent to a bad conduct discharge.

PURPOSE, SCOPE, AND METHODOLOGY

Section 20.055, Florida Statutes, requires the OIG to conduct audits, examinations, investigations, and management reviews related to programs and operations of the Department. This advisory was performed as part of the OIG's mission to promote accountability, integrity, and efficiency for the citizens of Florida by providing objective, timely audit and investigative services.

The **purpose** of the engagement was to determine if SVTA's labor and fringe benefit data, reported to the Commission, was based on reliable and valid information. This was achieved by: 1) analyzing SVTA's General Ledger data for the FYE 9/30/12 to FYE 9/30/13; 2) determining whether SVTA's indirect expenditures were properly substantiated; 3) evaluating the validity of SVTA's ridership data collected for Medicaid Non-Emergency Transportation Services; and 4) evaluating the validity of SVTA's ridership data collected for Trips and Equipment Transportation Services.

The **scope** of our testing consisted of the Medicaid Non-Emergency transportation funding and the TD Trip and Equipment Grant funding for the period 6/30/2012 to 9/30/2013, and a judgmentally selected sample of invoices (billing reports), supporting documentation, and Encounter/ridership data for this same period. The scope of our testing overtime/comp leave payouts was for the period 6/30/12 through 3/7/14.

Our **methodology** consisted of:

- interviewing Commission and SVTA personnel;
- performing variation analysis of General Ledger data for FYE 9/30/12 compared to FYE 9/30/13;
- tying General Ledger totals to audited financials, calculating the ratio of direct to indirect expenditures for each fiscal year, and substantiating the variances;
- testing payroll against the General Ledger;
- testing sample employee timesheets against SVTA's payroll;
- testing data elements included in the calculation of the fringe benefit rate to include overtime and leave payouts and approvals thereof;
- comparing information on SVTA's process for correcting the labor and fringe benefit categories for FY 2012-13 annual operating data to General Ledger;
- analyzing SVTA ridership data;
- comparing and analyzing fringe benefit rate from prior year data;
- comparing ridership data from invoices to trip logs/driver manifests; and
- comparing daily trip logs/driver manifests to Medicaid beneficiary list.

**Office of Inspector General
Florida Department of Transportation**

DISTRIBUTION, PROJECT TEAM, AND STATEMENT OF ACCORDANCE

David Darm, Chairman, Commission for the Transportation Disadvantaged
Steve Holmes, Executive Director, Commission for the Transportation Disadvantaged

Jason Bashaw, Chairman, Suwannee Valley Transit Authority, and
Chairman, Suwannee County Board of County Commissioners
Teresa Fortner, Interim Administrator, Suwannee Valley Transit Authority

Rusty DePratter, Chairman, Columbia County Board of County Commissioners
Joshua Smith, Chairman, Hamilton County Board of County Commissioners

Jim Boxold, Secretary, Florida Department of Transportation
Mike Dew, Chief of Staff
Richard Biter, Assistant Secretary for Intermodal Systems Development
Ed Coven, Transit Office Manager
Rachel Cone, Assistant Secretary for Finance and Administration
Robin Naitove, Comptroller
Lisa Wilkerson, Statewide Grant Coordinator

Melinda Miguel, Chief Inspector General, Executive Office of the Governor
Eric Miller, Inspector General, Florida Agency for Health Care Administration

David Martin, Auditor General

Project Team:

Engagement was conducted by Frank Funderburk, Audit Team Leader
Cathe Ferguson, Auditor
Under the supervision of: Intermodal Audit Manager, and
Kristofer B. Sullivan, Director of Audit
Approved by: Robert E. Cliff, Inspector General

Statement of Accordance

The mission of the department is to provide a safe transportation system that ensures the mobility of people and goods, enhances economic prosperity, and preserves the quality of our environment and communities.

*The mission of the Office of Inspector General is
to promote integrity, accountability, and process improvement in the Department of
Transportation by providing objective fact-based assessments to the DOT team.*

This work product was prepared pursuant to Section 20.055, Florida Statutes, in accordance with the applicable Principles and Standards for Offices of Inspectors General as published by the Association of Inspectors General and the International Standards for the Professional Practice of Internal Auditing as published by the Institute of Internal Auditors, Inc.

Please address inquiries regarding this report to the department's Office of Inspector General at (850) 410-5800.

Office of Inspector General
Florida Department of Transportation

ATTACHMENT A – Interlocal Agreement

143-211 INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT, made and entered into this 9th
day of August, 1976, by and between Columbia, Suwannee, and Hamilton
Counties, each a political subdivision of the State of Florida, hereinafter
referred to as the "COUNTIES";

366-423

WITNESSETH:

OFFICIAL RECORDS

UNOFFICIAL COPY
WHEREAS, the Counties are authorized pursuant to Section 163.01
Florida Statutes, to enter into Interlocal Agreements to cooperatively make

the most efficient use of their powers on a basis of mutual advantage, and
to provide services and facilities in accord best with geographic, economic,
population and other factors influencing the needs and development of the
local community; and

WHEREAS, the Counties are authorized pursuant to Section 125.01
(1) (2) and 336.021 (3), Florida Statutes, to independently exercise the
powers they will be jointly exercising through this Agreement; and

UNOFFICIAL COPY
WHEREAS, it is in the best interest of the Counties in the region
that a single separate legal entity make all the policies necessary in
connection with the transportation system;

WHEREAS, the parties hereto have agreed to acquire through said
separate legal entity, the existing transportation system owned by SUWANNEE
COUNTY and to operate the same through the separate legal entity on a regional
basis; and

NOW, THEREFORE, THIS INDENTURE WITNESSETH: THAT, for and in considera-
tion of the mutual benefits to flow each to the other, the parties hereto agree
as follows:

SECTION 1: PURPOSE

UNOFFICIAL COPY
The purpose of this Agreement is to create a legal entity to be
known as the SUWANNEE VALLEY TRANSIT AUTHORITY (hereinafter referred to as the
BOARD), composed of two (2) members (elected by their respective board) from
each of the aforementioned counties, and subject to the approval of the Florida
Secretary of Transportation, the District Engineer of the Florida Department
of Transportation serving the Second District.

FILED IN THE OFFICE OF
THE CLERK OF CIRCUIT
COUNTY OF SUWANNEE
FLORIDA
JUL 12 1976
2 48 PM '76
ANDREWS, J. N. OFFICIAL
RECORDS SECTION
143-211-15

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Office of Inspector General
Florida Department of Transportation

8307 143 212

In addition, an ex officio, non-voting, member shall be appointed by the Board of the Suwannee River Economic Council. The BOARD is charged with the responsibility of providing transportation services on a regional basis where needed in the Cities and throughout the Counties by the use of the transportation system to be owned and operated by said BOARD. Such BOARD shall make all policies for the administration, tolls, fares, fees, operation, maintenance, extension, enlargement, development, replacement and repair of the system. To accomplish these purposes, the Counties mutually agree with each other to comply with and abide by all policies as shall be set and determined by such BOARD; subject at all times, however, to the contractual rights of the holders of revenue obligations of the Counties, if, as and when issued in connection with said system.

SECTION 2: FUNDING

The following counties shall pay the following sums to the SUWANNEE VALLEY TRANSIT AUTHORITY in four equal, consecutive, quarterly, installments, commencing upon the establishing of the SUWANNEE VALLEY TRANSIT AUTHORITY:

COUNTY	TOTAL PAYMENT	QUARTERLY INSTALLMENT
Columbia	\$11,000	\$2,750
Suwannee	7,000	1,750
Hamilton	3,500	875

No county hereto shall be required to contribute any additional sums. The Counties may, however, from time to time, pay such additional sums as may be approved by their Boards. Counties shall have no other liabilities under this Agreement except the payment of the above sums.

SECTION 3: DURATION

(a) The BOARD shall continue in existence until it is dissolved by a majority action of the Board of County Commissioners of Columbia, Suwannee, & Hamilton Counties. Such termination document is to be approved as to form and legality by the Department of Legal Affairs and filed with the Clerks of the Circuit Courts of the participating Counties, and the Department of Community Affairs, prior to its becoming effective.

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BOOK 143 PAGE 213

(b) Any County may withdraw from this Agreement at any time upon sixty (60) days prior written notice to the BOARD, accompanied by a Resolution of its governing body authorizing withdrawal of its membership from said BOARD.

(c) Any County may be added to the BOARD upon the filing of a Resolution by its governing body requesting membership and agreeing to abide by the terms and conditions of this Agreement, with acceptance by all the

parties hereto. Said Resolution and acceptance document or Interlocal Amendment are to be approved as to form and legality by the Department of Legal Affairs and filed with the Clerks of Circuit Courts of all participating Counties and the Department of Community Affairs, as a condition precedent to its becoming effective.

SECTION 4: POWERS AND PROCEDURES

(a) Officers - The BOARD shall meet immediately and elect by a majority vote of the membership, a Chairman, Vice-Chairman and Secretary-Treasurer. Each officer shall be elected from a different government body.

Term of each office shall be a period of one year, and until their successors in office are elected, vacancies shall be filled by the BOARD.

(b) Meetings - The BOARD shall meet at least once each quarter or more often when necessary, upon call of the Chairman, or upon request of four (4) members governing body to transact the business of the BOARD. The BOARD shall have the power and authority to accept funds appropriated to it by any governmental body, or from whatever source. It may apply for and receive grants and donations of all kinds, and it may expend all such funds for any lawful purpose consistent with the general purposes of said Board. A quorum for the purpose of transacting business shall be fifty (50%)

percent of the membership. A majority of members present shall be necessary to decide any question. The BOARD shall adopt bylaws, rules and regulations to govern its actions and procedures. The BOARD shall have the authority, independently, or, by or with the assistance of the participating parties, hereto, to enforce all rules, regulations and policies adopted under the authority of this Agreement, and may resort to any necessary legal process for this purpose.

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(c) Powers of the BOARD

1. The Authority, on behalf of its membership, shall have the power to acquire, purchase, hold, lease as lessee, and use any franchise, property, real, personal or mixed, tangible or intangible, or any interest therein, necessary or desirable for carrying out the purposes of the BOARD, and to sell, lease as lessor, transfer and dispose of any property or interest therein at any time acquired by it, and do and perform any other act permitted by law.

2. Contracts - The BOARD shall have the authority to make contracts and to execute all instruments necessary or convenient for the carrying on of its business consistent with the purpose of its creation.

3. Suits - The BOARD shall have the authority to sue and be sued, implead and be impleaded, complain and defend in all courts.

(d) Personnel and Services

1. Board Staff and Services - The BOARD may employ a Secretary and such other persons, firm or corporation as it deems necessary to provide adequate administrative, clerical, professional, and technical assistance, and service to the BOARD in the conduct of its business. The BOARD may determine the qualification and fix the compensation of such persons, firm or corporation, and make its selection pursuant to applicable Florida Statutes. Budget and funding for said staff and services shall be established by the BOARD.

2. System Staff - The BOARD shall appoint a Transit Administrator, who shall serve at its pleasure, and who shall have the authority, with consent of the BOARD, to employ, assign, promote, transfer, and terminate other system personnel.

(e) Annual Audit - The BOARD and transit system shall have their books, records and accounts audited annually, and shall provide copies to all BOARD MEMBERS.

SECTION 5: ACQUISITION OF SYSTEM

The BOARD shall, upon execution of this Agreement, begin forthwith to acquire the existing transportation system referred to herein.

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Florida Department of Transportation**

SECTION 6: OWNERSHIP AND OPERATION

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The BOARD shall own and operate the transportation system in accordance with such rules and policies as it may adopt.

SECTION 7: BUDGET AND FINANCIAL STATEMENT

The Administrator shall prepare and submit a proposed annual budget for the operation of said system at least sixty (60) days in advance of each fiscal year for consideration and approval by the BOARD. The Administrator shall also file with the BOARD a monthly operating statement audit, showing the status of the system, and the disposition of all funds received from the system as well as any other funds provided for the system's operation.

SECTION 8: PROHIBITIVE ACTS

Except for the purpose of an inquiry, the BOARD and its members shall deal with the affairs of the BOARD solely through the Administrator; and neither the BOARD nor any member, thereof, shall give orders to any subordinate of the Administrator, either publicly or privately.

SECTION 9: SPECIAL SESSION OF BOARD

The BOARD shall at least annually consider the transportation system with respect to the policies, rates, tolls, fares, fees, charges, maintenance, financing, and management of the system, and make such modifications as are determined appropriate.

SECTION 10: EFFECTIVE DATE

OFFICIAL RECORDS

This Agreement shall take effect immediately upon its approval by the Department of Legal Affairs, and it is being filed pursuant to Section 163.01 (12) Florida Statutes.

IN WITNESS WHEREOF, the Boards of County Commissioners of Columbia, Suwannee, and Hamilton Counties, Florida have entered into this Agreement and have caused it to be executed by their duly authorized officers,

The County of Columbia
A political Subdivision of the
State of Florida

By: Robbney S. Dick

ATTEST: W. E. [Signature] (Seal)
Clerk of the Commission

The County of Suwannee
A political Subdivision of the
State of Florida

By: Wayne Long

ATTEST: [Signature] (Seal)
Clerk of the Commission

The County of Hamilton
A political Subdivision of the
State of Florida

By: [Signature]

ATTEST: [Signature] (Seal)
Clerk of the Commission

ATTACHMENT B – SVTA Administrator Responsibilities

According to the Interlocal Agreement, the Administrator's responsibilities include:

- With consent from the Board, the Transit Administrator may have the authority to employ, assign, promote, transfer, and terminate system personnel.
- The Transit Administrator shall prepare and submit a proposed annual budget of system operations at least 60 days before the beginning of the fiscal year for Board approval.
- A monthly operations statement audit showing the status of the transit system and the funds received from the systems and funds provided for its operation shall be filed with the Board by the Transit Administrator.

The Rules define the Administrator as a full time employee directly hired by the Board to manage and control the day-to-day operations of SVTA. The Rules delegate the personnel and management functions to the Administrator by the Board. The Administrator is the representative of the Board charged with implementing, maintaining, and recommending changes to policies concerning pay, benefits, and other aspects of personnel administration for all employees.

Excerpt from 1983 Personnel Rules and Regulations

6.2 Administrators Responsibilities

The Administrator is delegated authority by the Board to provide the following data and to take the following actions subject to its annual approval:

- Salary schedule with merit pay increases.
- Update the salary schedule annually as a result of regional and local wage studies.
- Ensure that existing and new positions are properly placed in the salary schedule.
- Determine appropriate compensation and salary adjustments for Authority personnel within the limits of approved budget.
- Ensure that current performance evaluations are received prior to approving salary increases.

Position Description

On June 25, 2012, Pra presented and the SVTA Board approved a document outlining the Definition, Duties, Knowledge, Skills, and Abilities of the Administrator. According to this document the definition of the Administrator is:

Command and control of the Suwannee Valley Transit Authority by planning, directing and managing all administrative personnel, operational, security and logistical support in order to successfully meet the Transit and Para-Transit needs of the three county region.

Select examples of duties include but are not limited to:

- Manages and coordinates the activities of staff engaged in the administration of Para-transit services, including contract compliance, fiscal accountability, adherence to funding source requirements, quality assurance, program safety and security, drug and alcohol, vehicle and equipment, eligibility determinations, travel training, complaint investigation, and state and federal regulatory compliance. Also meets with all agency heads and community entities to provide transit service.
- Develops and administers budgets.
- Develops and implements policies, procedures, and practices regarding transportation services for people with disabilities, and public transportation.
- Develops contract specifications and Requests for Proposals (RFPs) for the provision of Para-transit service and functional assessments related to Para-transit eligibility.
- Develops community partnerships and represents the SVTA at advisory committee, Local Coordinating Board, Commission for Transportation Disadvantaged, advocacy, and community based service organizations at both the local and state levels.
- Works collaboratively with mobility-impaired individuals and representative organizations to identify accessibility needs and develop solutions.

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Florida Department of Transportation**

ATTACHMENT C – Personnel Rules Comparison

The following table is a comparison of relevant sections of the 1983, 2012, and 2014 Rules. Passages in the 2012 Rules that are grey and struck through represent redactions made by SVTA.

1983 SVTA Board-adopted Personnel Rules and Regulations	2012 SVTA Personnel Rules and Regulations	2014 SVTA Board-adopted Personnel Rules and Regulations	Auditor's Notes
5.4 B Overtime/Compensatory Time			
Non-existent	Generally, administrative personnel are given comp time in lieu of overtime pay. Upon approval of the Administrator, comp time may be cashed in or carried over as needed. [emphasis added]	Non-existent	The 2012 revision created section 5.4B. The revision allows for comp time to be cashed in.
6.4 E Exempted Personnel			
In no event will overtime be paid to employees considered as supervisors or professional personnel except as allowed in Section 6.4 D or authorized by the Administrator.	<p>a) In general, employees considered as supervisors or professional personnel (Exempt) will not be authorized "over-time pay," except as allowed in Section 6.4 D or authorized by [the] Administrator.</p> <p>As deemed appropriate by the Administrator, Exempted Personnel MAY request to "cash in" amounts of overtime [emphasis added] if mission and /or work requirements dictate and do not allow the use of compensation time to be used in a timely manner.</p> <p>b) The Administrator is authorized compensation</p>	In no event will overtime be paid to employees considered as supervisors or professional personnel except as allowed in Section 6.4 D or authorized by the Administrator.	The 2012 version added authority to cash in amounts of overtime. In addition, the 2012 version authorizes the Administrator to be compensated for "overtime" with approval from the Board member representing Suwannee County. This section also requires that the Administrator maintain a log to document accrual of overtime per this provision.

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1983 SVTA Board-adopted Personnel Rules and Regulations	2012 SVTA Personnel Rules and Regulations	2014 SVTA Board-adopted Personnel Rules and Regulations	Auditor's Notes
	for overtime IAW [in accordance with] standard SVTA policy Chapter 6.4E. For any overtime performed by the Administrator, the Administrator will report such over-time to the Board Member representing Suwannee County. That Board Member will review the circumstances for the overtime, verify that compensation was justified and then authorize and direct compensation for such overtime be paid IAW SVTA's standing policy. The Administrator will keep a log on any and all overtime performed per standard SVTA policy.		
6.4 F Leave Time			
Taken in any given work week <u>is excluded</u> from the regular 40 hours "time worked" when calculating eligibility for overtime and compensatory time.	Taken in any given work week is excluded from the regular 40 hours "time worked" when calculating eligibility for overtime and compensatory time.	Taken in any given work week <u>is excluded</u> from the regular 40 hours "time worked" when calculating eligibility for overtime and compensatory time.	The 1983 and 2014 versions did not allow associates to earn leave time and overtime in the same week.

**Office of Inspector General
Florida Department of Transportation**

1983 SVTA Board-adopted Personnel Rules and Regulations	2012 SVTA Personnel Rules and Regulations	2014 SVTA Board-adopted Personnel Rules and Regulations	Auditor's Notes
6.5 Basis For Pay – A. Administrative Staff			
Office Personnel (Exempt) are paid a fixed annual salary based on a 40 hour work week. Overtime pay is generally not authorized for Exempt Employees, but compensatory time off at a rate equal to 1 1/2 times the extra time work will be approved. All work schedules leading to such compensatory overtime must be approved in advance.	Office Personnel (Exempt) are paid a fixed annual salary based on a 40 hour work week. Overtime pay is generally not authorized for Exempt Employees, but compensatory time off at a rate equal to 1 1/2 times the extra time work will be approved. All work schedules leading to such compensatory overtime must be approved in advance.	Office Personnel (Exempt) are paid a fixed annual salary based on a 40 hour work week. Overtime pay is generally not authorized for Exempt Employees, but compensatory time off at a rate equal to 1 1/2 times the extra time work will be approved. All work schedules leading to such compensatory overtime must be approved in advance.	The 2012 version removed the requirement for advance approval for compensatory overtime.
6.6 C Other Pays			
Non-existent	SVTA does not allow for employees to be given an "advanced pay" of any kind. SVTA employees will be paid only for hours worked, or for overtime, compensation time, and/or leave. IAW with Rule 5.4 B	Non-existent	The 1983 and 2014 versions do not mention "advanced pay".
10.1 General Standards General Conduct			
No employee shall engage in a criminal, infamous, dishonest, immoral or obvious disgraceful conduct or other conduct injurious or prejudicial to the Authority.	No employee shall engage in a criminal, infamous, dishonest, immoral or obvious disgraceful conduct or other conduct injurious or prejudicial to the Authority.	No employee shall engage in a criminal, infamous, dishonest, immoral or obvious disgraceful conduct or other conduct injurious or prejudicial to the Authority.	The 2012 version removed "or other conduct injurious or prejudicial to the Authority."

**Office of Inspector General
Florida Department of Transportation**

ATTACHMENT D – OIG Letter to Board



Florida Department of Transportation

**RICK SCOTT
GOVERNOR**

605 Suwannee Street
Tallahassee, FL 32399-0450

**ANANTH PRASAD, P.E.
SECRETARY**

May 6, 2014

The Honorable Ronald Williams
Chairman, Board of Directors
Suwannee Valley Transit Authority
1907 Voyles Street
Live Oak, Florida 32060

Dear Chairman Williams:

This letter is to provide you with an update regarding our audit of the Suwannee Valley Transit Authority (SVTA).

Our original engagement objectives are as follows:

1. Analyze SVTA's general ledger data for the FYE 9/30/12 and compare to FYE 9/30/13.
2. Determine whether SVTA's indirect expenditures are properly substantiated.¹
3. Evaluate the validity of SVTA's ridership data collected for Medicaid Non-Emergency Transportation Services (Encounter data - contract BDM60).
4. Evaluate the validity of SVTA's ridership data collected for Non-sponsored Trips and Equipment Transportation Services (TDTF – contracts AQO84 [FY12-13] and AR161 [FY13-14]).

As you are aware, our analysis has revealed several significant operational issues confronting SVTA issues outside of our engagement scope. These operational issues are likely to be outside the jurisdiction of the Office of Inspector General, but of likely concern to the SVTA and the Board.

Therefore, we recommend the Board retain an independent management consultant / accounting firm to perform a thorough review and analysis of SVTA's financial situation including a review of the job cost accounting system and internal controls such as segregation of duties and delegated authorities.² We also recommend a review of

¹ During testing we determined a need to increase the scope of our objectives to include a sample of overtime/compensatory leave payouts for the period 7/1/12 through 3/31/2014.

² This requires the Board to locate and use funding sources that are allowable for carrying out this activity.

www.dot.state.fl.us

**Office of Inspector General
Florida Department of Transportation**

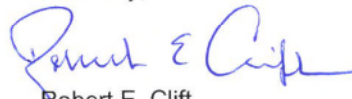
The Honorable Ronald Williams
May 1, 2014
Page Two

SVTA's operational readiness to properly support their serviced population. We will be available to provide a summary of discoveries outside the scope of this engagement to the consultant selected by the Board, or to the Board itself, at the conclusion of this engagement.

We will contact the Board to schedule a preliminary working conference once we have completed our fieldwork. A copy of our initial engagement letter explaining our audit process is enclosed.

Thank you in advance for your cooperation in the process. If you have any questions or concerns please contact Lisa Tessier at 850-410-5826 or Frank Funderburk at 850-410-5844.

Sincerely,


Robert E. Clift
Inspector General

REC:fef

cc: The Honorable Jason Bashaw
The Honorable Robert Brown
The Honorable Beth Burnam
The Honorable Ricky Gamble
The Honorable Bucky Nash
Commission for Transportation Disadvantaged
David Darm, Chairman
Mike Willingham, Vice Chairman
Michael Horan, Commissioner
Dane Grey, Commissioner
Marion Hart, Commissioner
Bryan Vaughan, Commissioner
Charlotte Temple, Commissioner
Steve Holmes, Executive Director
Teresa Fortner, Interim Administrator, Suwannee Valley Transit Authority
Eric Miller, Inspector General, Agency for Health Care Administration

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**Office of Inspector General
Florida Department of Transportation**

ATTACHMENT E – Pra’s Timesheet, LLS, and Pay Stub Comparison

The following table lists the 114 exceptions identified in the comparison of Pra’s Timesheet (TS), Leave Liability Statement (LLS), and Pay Stubs for the period June 30, 2012 to March 7, 2014. The exceptions, labeled 1 through 11, in the table below correspond to the exceptions listed in the right most column on the tables on the following pages. Items highlighted in red in the tables on the following pages correspond to issues identified in finding 3.

Exceptions	Pra
1. Missing original timesheets (based on workweeks)	54
2. Miscalculation of timesheet hours	3
3. Pay stub hours does not equal timesheet hours	10
4. Compensatory time not supported by original (bi-weekly) timesheet	32
5. Compensatory time miscalculated	5
6. Timesheet does not equal LLS	1
7. Comp time not deducted on LLS	2
8. Sick leave not deducted from LLS	1
9. Holiday hours questioned	2
10. Salary plus holiday pay	3
11. Overpayment on cash out	1
Total Exceptions	114

**Office of Inspector General
Florida Department of Transportation**

Work Week	TIMESHEET (TS)				LEAVE LIABILITY STATEMENT (LLS)			PAY STUB										Exception(s)
	Original	Constructed	Holidays/Leave	Comp Time Used (hours)	Pay Period	Comp Recorded (hours)	Comp Taken (hours)	Comp Balance (hours)	Admin - Salary	Admin Comp Reg	Admin Hourly Sick	Admin Hourly Comp PAID	Admin Hourly	Admin Holiday Pay - S	Admin Holiday Pay - H	Admin Hourly Vacation	Operations Comp Paid	
6/30/12-7/6/12	No TS																	1
7/7/12-7/13/12	No TS				6/30/12-7/13/12	70		852.75	80.00					8.00				1,4,10
7/14/12-7/20/12	22.5																	
7/21/12-7/27/12	12.5				7/14/12-7/27/12	70		922.75	80.00									3,4,6
7/28/12-8/3/12	No TS																	1
8/4/12-8/10/12	No TS				7/28/12-8/10/12	70		992.75	80.00									1,4
8/11/12-8/17/12	No TS																	1
8/18/12-8/24/12	No TS				8/11/12-8/24/12	70		1,062.75	80.00									1,4
8/25/12-8/31/12	No TS																	1
9/1/12-9/7/12	No TS				8/25/12-9/7/12	25	100	987.75	24.00	56.00		100.00				97.50		1,4
9/8/12- 9/14/12	No TS																	1
9/15/12-9/21/12	No TS				9/8/12- 9/21/12	55		1,042.75	80.00									1,4
9/22/12-9/28/12	No TS																	1
10/1/12-10/5/12	No TS	0		40	9/22/12-10/5/12	45	0	1,087.75	40.00	40.00		80.00						1,4,9
10/6/12-10/12/12	No TS	70																1
10/13/12-10/19/12	No TS	70			10/6/12-10/19/12	60	120	1,027.75	80.00									1,4
10/20/12-10/26/12	No TS	75																1
10/27/12-11/2/12	No TS	75			10/20/12-11/2/12	70		1,097.75	80.00			80.00						1,4
11/3/12-11/9/12	52	75																
11/10/12-11/16/12	70.5	75			11/3/12-11/16/12	70		1,167.75	80.00					8.00				4,10
11/17/12-11/23/12	No TS	75																1
11/24/12-11/30/12	No TS	75			11/17/12-11/30/12	70	80	1,157.75	64.00					16.00	6.00			1,4,9,10
12/1/12-12/7/12	No TS	75																1
12/8/12-12/14/12	No TS	75			12/1/12-12/14/12	70		1,227.75	80.00									1,4
12/15/12-12/21/12	No TS	65																1
12/22/12-12/28/12	No TS	0		40	12/15/12-12/28/12	25	0	1,252.75	16.00	48.00				16.00				1,3,4,7
12/29/12-1/4/13	No TS	39	8 H															1
1/5/13-1/11/13	No TS	8			12/29/12-1/11/13	15		1,267.75	72.00					8.00				1,3,4,8
1/12/13-1/18/13	No TS	44																1
1/19/13-1/25/13	No TS	95			1/12/13-1/25/13	59		1,326.75	72.00					8.00				1,4
1/26/13-2/1/13	No TS	75																1
2/2/13-2/8/13	No TS	75			1/26/13-2/8/13	70		1,396.75	80.00									1,4
2/9/13-2/15/13	No TS	75																1
2/16/13-2/22/13	No TS	75			2/9/13-2/22/13	70		1,466.75	72.00			100.00		8.00				1,4
2/23/13-3/1/13	No TS	72.5																1
3/2/2013-3/8/13	No TS	72.5			2/23/13-3/8/13	65	100	1,431.75	56.00	24.00								1,3,4
3/9/13-3/15/13	No TS	75																1
3/16/13-3/22/13	No TS	75			3/9/13-3/22/13	70		1,501.75	68.00	12.00								1,3,4
3/23/13-3/29/13	No TS	75																1
3/30/13-4/5/13	No TS	0		40	3/23/13-4/5/13	35	0	1,536.75	42.00	38.00								1,3,4,7
4/6/13-4/12/13	No TS	75																1
4/13/13-4/19/13	No TS	75			4/6/13-4/19/13	70		1,606.75	80.00									1,4
4/20/13-4/26/13	No TS	75																1
4/27/13-5/3/13	No TS	75			4/20/13-5/3/13	70		1,676.75	80.00									1,4
5/4/13-5/10/13	No TS	65																1
5/11/13-5/17/13	No TS	77			5/4/13-5/17/13	62		1,738.75	80.00									1,4
5/18/13-5/24/13	No TS	75																1
5/25/13-5/31/13	No TS	75			5/18/13-5/31/13	70	250	1,558.75	72.00			250.00		8.00				1,4
6/1/13-6/7/13	No TS	51																1
6/8/13-6/14/13	No TS	84			6/1/13-6/14/13	55		1,613.75	77.00	3.00								1,3,4
6/15/13-6/21/13	No TS	42																1
6/22/13-6/28/13	No TS	68			6/15/13-6/28/13	30	145	1,498.75	69.50	10.50								1,3,4
6/29/13-7/5/13	35.5	36	8 H															
7/6/13-7/12/13	41.5	65			6/29/13-7/12/13	21		1,519.75	67.50	4.50				8.00				2,4,5
7/13/13-7/19/13	50.25	55.75																
7/20/13-7/26/13	50.75	55.75			7/13/13-7/26/13	31.5		1,551.25	80.00			145.00				105.00		4
7/27/13-8/2/13	32	52																
8/3/13-8/9/13	40	40			7/27/13-8/9/13	12	8	1,555.25	72.00	8.00								2,3,4,5
8/10/13-8/16/13	No TS	75																1
8/17/13-8/23/13	No TS	75			8/10/13-8/23/13	70	325	1,300.25	80.00			325.00						1,4
8/24/13-8/30/13	No TS	75																1
8/31/13-9/6/13	No TS	75			8/24/13-9/6/13	70	320	1,050.25	72.00			320.00		8.00				1,4
9/7/13-9/13/13	No TS	75																1
9/14/13-9/20/13	No TS	75			9/7/13-9/20/13	70	220	900.25	80.00			220.00						1,4
9/21/13-9/27/13	28.5			11.5														
9/28/13-10/4/13	53.75				9/21/13-10/4/13	20.75	261.5	659.50	68.50			250.00					11.50	11

**Office of Inspector General
Florida Department of Transportation**

Work Week	TIMESHEET (TS)				LEAVE LIABILITY STATEMENT (LLS)				PAY STUB									Exception(s)
	Original	Constructed	Holidays/Leave	Comp Time Used (hours)	Pay Period	Comp Recorded (hours)	Comp Taken (hours)	Comp Balance (hours)	Admin - Salary	Admin Comp Reg	Admin Hourly Sick	Admin hourly Comp PAID	Admin Hourly	Admin Holiday Pay - S	Admin Holiday Pay - H	Admin Hourly Vacation	Operations Comp Paid	
10/5/13-10/11/13	47.25				10/5/13-10/18/13	11	12	658.50	60.00	12.00			11.50		8.00			2.5
10/12/13-10/18/13	39.5																	
10/19/13-10/25/13	0			40														
10/26/13-11/1/13	46.25				10/19/13-11/1/13	9.5	290	378.00	40.00	40.00		250.00						
11/2/13-11/8/13	37			3	11/2/13-11/15/13													
11/9/13-11/15/13	39.25		8 H			742.5	103	1,017.50	69.00	3.00					8.00			
11/16/13-11/22/13	25		16 SL															
11/23/13-11/29/13	0		16 H	24	11/16/13-11/29/13	1	24	994.50	24.00	24.00	16.00				16.00			5
11/30/13-12/6/13	44.5				11/30/13-12/13/13	29	250	773.50	80.00			250.00						
12/7/13-12/13/13	54.75																	
12/14/13-12/20/13	32.75		8 FH*															
12/21/13-12/27/13	0		16 H	24	12/14/13-12/27/13	0.75	24	750.25	32.00	24.00					24.00			
12/28/13-1/3/14	0		8 H	32	12/28/13- 1/10/14													
1/4/14-1/10/14	49.25					14	32	732.25	40.00	32.00					8.00			
1/11/14-1/17/14	35.75			4.25														
1/18/14-1/24/14	25		8 H	7	1/11/14-1/24/14	0	261.25	471.00	60.75	11.25		250.00			8.00			
1/25/14-1/31/14	54.75				1/25/14-2/7/14													
2/1/14- 2/7/14	29.75			10.25		22.25	19	474.25	69.75	10.25		8.75				41.25		3.5
2/8/14-2/14/14	45.5																	
2/15/14-2/21/14	27.5		8 H	4.5	2/8/14-2/21/14	8.25	402.5	80.00	67.50	4.50		398.00			8.00			
2/22/14-2/28/14	29.5			10.5	2/22/14-3/7/14													
3/1/14-3/7/14	43.25					5	10.5	74.50	69.50	10.50								

**Office of Inspector General
Florida Department of Transportation**

ATTACHMENT F – Steele’s Timesheet, LLS, and Pay Stub Comparison

The following table lists the 18 exceptions identified in the comparison of Steele’s Timesheet (TS), Leave Liability Statement (LLS) and Pay Stubs for the period June 30, 2012 to March 7, 2014. The exceptions, labeled 1 through 11, in the table below correspond to the exceptions listed in the right most column on the tables on the following pages.

Exceptions	Steele
1. Missing original timesheets (based on workweeks)	2
2. Miscalculation of timesheet hours	2
3. Pay stub hours does not equal timesheet hours	2
4. Compensatory time not supported by original (bi-weekly) timesheet	0
5. Compensatory time miscalculated	5
6. Timesheet does not equal LLS	2
7. Comp time not deducted on LLS	1
8. Sick leave not deducted from LLS	0
9. Holiday hours questioned	0
10. Salary plus holiday pay	4
11. Overpayment on cash out	0
Total Exceptions	18

**Office of Inspector General
Florida Department of Transportation**

Work Week	TIME SHEET			LEAVE LIABILITY STATEMENT (LLS)				PAY STUB							Exception(s)
	Original	Holidays/Leave	Comp Time Used (hours)	Pay Period	Comp Recorded (at 1.5 hours)	Comp Taken (hours)	Comp Balance (at 1.5 hours)	Admin - Salary	Admin Comp Reg	Admin Hourly Sick	Admin Comp PAID	Admin Holiday Pay - S	Admin Holiday Pay - H	Admin Hourly Vacation	
6/30/12-7/6/12	66.75														
7/7/12-7/13/12	24		16	6/30/12-7/13/12	44.75	16	973.75	64.00	16.00				18.50		3,5,10
7/14/12-7/20/12	29.75		10.25												
7/21/12-7/27/12	51.5			7/14/12-7/27/12	17.25	10.25	980.75	69.75	10.25						
7/28/12-8/3/12	66.25														
8/4/12-8/10/12	70.75			7/28/12-8/10/12	85.5	80	986.25	80.00			80.00				
8/11/12-8/17/12	69.25														
8/18/12-8/24/12	52.5			8/11/12-8/24/12	63			80.00							
8/25/12-8/31/12	31.75		16												
9/1/12-9/7/12	64.25	8 H		8/25/12-9/7/12	52.5	16	1,085.75	56.00	16.00			8.00			
9/8/12-9/14/12	76.25														
9/15/12-9/21/12	76			9/8/12-9/21/12	108.75		1,194.50	80.00							5
9/22/12-9/28/12	40.25														
10/1/12-10/5/12	45			9/22/12-10/5/12	8.5		1,203.00	40.00	40.00		80.00				2,3,5,7
10/6/12-10/12/12	67														
10/13/12-10/19/12	70.25			10/6/12-10/19/12	86.5		1,289.50	80.00							
10/20/12-10/26/12	69														
10/27/12-11/2/12	40			10/20/12-11/2/12	43.5	20.5	1,312.50	59.50	20.50						
11/3/12-11/9/12	79.25														
11/10/12-11/16/12	72.25	8H		11/3/12-11/16/12			1,312.50	78.50				1.50	6.50		6,10
11/17/12-11/23/12	26.5	16 H													
11/24/12-11/30/12	36.75			11/17/12-11/30/12	2.5	3.25	1,311.75	60.75	3.25				16.00		
12/1/12-12/7/12	63														
12/8/12-12/14/12	47			12/1/12-12/14/12	45		1,356.75	80.00							
12/15/12-12/21/12	71.75														
12/22/12-12/28/12	0			12/15/12-12/28/12	47.75	16	1,388.50	40.00	16.00			24.00			
12/29/12-1/4/13	32.75														
1/5/13-1/11/13	83.5			12/29/12-1/11/13	66	80	1,374.50	72.00			80.00	8.00			
1/12/13-1/18/13	80.25														
1/19/13-1/25/13	0	8 H	32	1/12/13-1/25/13	60.5	32	1,403.00	40.00	32.00				8.00		
1/26/13-2/1/13	67.25														
2/2/13-2/8/13	79.5			1/26/13-2/8/13	100.25	0	1,503.25	80.00							
2/9/13-2/15/13	87														
2/16/13-2/22/13	72.5	8 H		2/9/13-2/22/13	127.25	0	1,630.50	72.00				8.00			
2/23/13-3/1/13	66.75														
3/2/13-3/8/13	72			2/23/13-3/8/13	88.25	100	1,618.75	80.00			100.00				
3/9/13-3/15/13	65.25														
3/16/13-3/22/13	71.5			3/9/13-3/22/13	85.25	0	1,704.00	80.00							
3/23/13-3/29/13	65.25														
3/30/13-4/5/13	0		40	3/23/13-4/5/13	38	40	1,702.00	40.00	40.00						
4/6/13-4/12/13	32		8												
4/13/13-4/19/13	76.25			4/6/13-4/19/13	54.5	88	1,668.50	72.00	8.00		80.00				
4/20/13-4/26/13	78.75														
4/27/13-5/3/13	76.5			4/20/13-5/3/13	113	0	1,781.50	80.00							
5/4/13-5/10/13	1		39												
5/11/13-5/17/13	40.75			5/4/13-5/17/13	1.25	39	1,743.75	41.00	39.00						
5/18/13-5/24/13	No TS		40												1
5/25/13-5/31/13	No TS		40	5/18/13-5/31/13	0	330	1,413.75	0.00	80.00		250.00				1
6/1/13-6/7/13	35.75		4.25												
6/8/13-6/14/13	79.25			6/1/13-6/14/13	59	4.25	1,468.35	75.75	4.25						
6/15/13-6/21/13	59.5														
6/22/13-6/28/13	55			6/15/13-6/28/13	51.75	0	1,520.25	80.00							
6/29/13-7/5/13	59.75														
7/6/13-7/12/13	54.25			6/29/13-7/12/13	59	250	1,329.25	72.00	8.00		250.00				

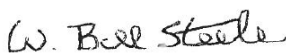

**Office of Inspector General
Florida Department of Transportation**

Work Week	TIME SHEET			LEAVE LIABILITY STATEMENT (LLS)				PAY STUB							Exception(s)
	Original	Holidays/Leave	Comp Time Used (hours)	Pay Period	Comp Recorded (at 1.5 hours)	Comp Taken (hours)	Comp Balance (at 1.5 hours)	Admin - Salary	Admin Comp Reg	Admin Hourly Sick	Admin Comp PAID	Admin Holiday Pay - S	Admin Holiday Pay - H	Admin Hourly Vacation	
7/13/13-7/19/13	38		2												
7/20/13-7/26/13	84			7/13/13-7/26/13	66	2	1,393.25	78.00	2.00						
7/27/13-8/2/13	81														
8/3/13-8/9/13	50			7/27/13-8/9/13	76.5	0	1,469.75	80.00			250.00				
8/10/13-8/16/13	65.25														
8/17/13-8/23/13	60.5			8/10/13-8/23/13	68.75	250	1,288.50	80.00							
8/24/13-8/30/13	51.75														
8/31/13-9/6/13	0	8 H	32	8/24/13-9/6/13	18	332	974.50	40.00	32.00		300.00		8.00		5
9/7/13-9/13/13	58.75														
9/14/13-9/20/13	67.25			9/7/13-9/20/13	69	0	1,043.50	80.00							
9/21/13-9/27/13	54.75														
9/28/13-10/4/13	42.5			9/21/13-10/4/13	26	0	1,069.50	80.00							
10/5/13-10/11/13	24.25		15.75												
10/12/13-10/18/13	34.75	8 H		10/5/13-10/18/13	2.75	15.75	1,056.50	56.25	15.75				8.00		
10/19/13-10/25/13	62.25														
10/26/13-11/1/13	71.75			10/19/13-11/1/13	81	0	1,137.50	80.00							
11/2/13-11/8/13	63.75														
11/9/13-11/15/13	54	8 H		11/2/13-11/15/13	59	0	1,196.50	72.00				8.00	6.50		2,5,10
11/16/13-11/22/13	67.75														
11/23/13-11/29/13	29.25	16 H		11/16/13-11/29/13	47	0	1,243.50	64.00				16.00			
11/30/13-12/6/13	n/a	8 FH	32												
12/7/13-12/13/13	n/a		40	11/30/13-12/13/13	0	72	1,171.50		72.00				8.00		
12/14/13-12/20/13	n/a	16 H	24												
12/21/13-12/27/13	n/a		40	12/14/13-12/27/13	0	64	1,107.50		64.00				16.00		
12/28/13-1/3/14	0	8 H													
1/4/13-1/10/14	55			12/28/13- 1/10/14	22.5	32	1,098.00	40.00	32.00				8.00		
1/11/14-1/17/14	52														
1/18/14-1/24/14	61	8 H		1/11/14-1/24/14	52.25	250	900.25	72.00			250.00	8.00	3.50		10
1/25/14-1/31/14	27.5		12.5												
2/1/14- 2/7/14	0		40	1/25/14-2/7/14	0	302.5	597.75	27.50	52.50		250.00				
2/8/14-2/14/14	47.25														
2/15/14-2/21/14	22.25	8 H	9.75	2/8/14-2/21/14	11	9.75	599.00	62.25	9.75				8.00		
2/22/14-2/28/14	32.25		7.75												
3/1/14- 3/7/14	56			2/22/14-3/7/14	0	207.75	391.25	72.25	7.75		200.00				6

**Office of Inspector General
Florida Department of Transportation**

ATTACHMENT G – Exception to Policy, August 9, 2012

In the memorandum below, dated August 9, 2012, Bill Steele requested and Gwendolyn Pra approved a one-time exemption to policy to allow administrative staff to cash in “compensatory over time.”

SUWANNEE VALLEY TRANSIT AUTHORITY 1907 VOYLES ST., S.W. LIVE OAK, FLORIDA, 32060	
To:	ADMINISTRATOR, SVTA
From:	DIRECTOR OF OPERATIONS
Subject:	Exception to Policy (Authorizing cash in of ‘excessive’ compensatory over time.
Date	9 Aug 2012
<p>.....</p> <p>The purpose of this memorandum is to request an exception to policy to allow those SVTA employee that have built up an extreme excess of authorized compensatory over time (OT) , be allowed to bring that bank back in line by cashing in a portion of their over time.</p> <p>In reviewing the overtime bank of several SVTA employees, I have found that the several employees of SVTA have an extreme excess of overtime hours. These employees were authorized to work the overtime and that work was greatly needed in order to complete mission and essential work that had to be completed.</p> <p>In order to allow each affected employee to reduce their overtime account, I am requesting an exception to policy that allows for administrative staff to cash in part of their overtime at the standard over time rate. Current policy does allow Professional Bus Operators and Garage Mechanics to take over-time pay in-lieu- of compensatory time. I do not recommend that SVTA alter its currently policy that administrative personnel will receive compensatory time for any over time worked, but in this case, a one-time exception to policy may be in order as a way to reduce the effective employee’s OT bank</p> <p>If you approve this one time exception to policy, I will conduct this this action on ‘off pay weeks’ for the next several weeks until each effected employee’s bank is shortened to a reasonable level.</p> <p>POC for this memorandum is the undersigned.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"><div style="text-align: center;"> W. Bill Steele</div><div style="text-align: center;"> Gwendolyn H. Pra</div></div>	

Office of Inspector General
Florida Department of Transportation

ATTACHMENT H – Memorandum to Board, September 24, 2012

SUWANNEE VALLEY TRANSIT AUTHORITY
1907 VOYLES ST., S.W.
LIVE OAK, FLORIDA, 32060



To: SVTA BOARD OF DIRECTORS

From: SVTA ADMINISTRATOR

Subject: CHANGE IN POLICY (SEC 6.3(A) Overtime Pay/Compensatory Pay)

Date: 24 September, 2012

1. The Administrator request that the Board approve a 'change in policy' regarding how SVTA calculates overtime (OT) pay for those employee who are authorized OT pay.

2) Current, SEC 6.3 of the SVTA Personnel Policy & Procedures state:

"... Overtime Pay - (Eligible employees only): Generally overtime will be paid instead of granting compensatory time. The work week for these calculations shall begin 12:01 a.m. Monday and end midnight the following Sunday"

3) This policy as written restricts the ability to adjust certain employees' schedules for overtime, if an adjustment is needed or if an adjustment can be made in order to *reduce* OT.

4) The Administrator requires the flexibility to adjust the schedule of these employees by increasing the pay period for these employees from 1 week to 2 weeks. This will allow more time to make adjustments so efforts can be made to reduce OT when appropriate. Therefore, the Administrator recommends changing the wording of SEC 6.3 to:

"... Overtime Pay - (Eligible employees only) generally overtime will be paid instead of granting compensatory time. The work week for these calculations shall begin 12:01 a.m. Saturday and end midnight the following 2ND Friday"

5) This put in place a one (1) 2 week pay period as opposed to a two (2) one-week pay periods, which is the rule for Administrative personnel. Further, it matches with our existing pay periods, which begins on Saturday and end on the 2nd Friday.

POC for this memorandum is the Director of Operations.

A handwritten signature in cursive script, appearing to read "Gwendolyn H. Pra".

Gwendolyn H. Pra
Administrator

**Office of Inspector General
Florida Department of Transportation**

ATTACHMENT I – Pra's Employment Offer Letter

Suwannee Valley Transit Authority
1907 Voyles Street
Live Oak, FL 32064

M E M O R A N D U M

To: Mrs. Gwendolyn Pra
From: Board of Directors, Suwannee Valley Transit Authority
Subject: Position of Administrator for SVTA
Date: July 27, 2011

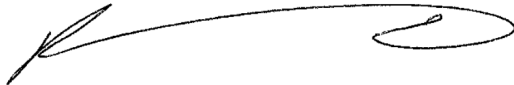
Mrs. Pra, pursuant to our interview with you today, the board has voted unanimously to offer you the position recently vacated by Jimmy Swisher. The salary offer for the position is \$70,000 for the 6 month probationary period ending February 27, at which time the salary would be \$75,000. The position offer includes a full range of benefits, including continuation of your Fla Retirement Service contribution.

Until such time as you can relocate to Lake City, we offer you the option of use of the agency vehicle from Lake City to Live Oak daily. You would have the use of the vehicle for all agency business as needed.

**Office of Inspector General
Florida Department of Transportation**

Please let us know of your acceptance decision and we are looking forward to the possibility of your working with us. Please sign your acceptance below and return to me as quickly as possible.

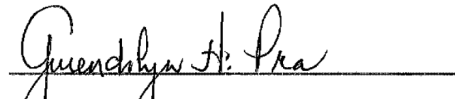
Sincerely,



Ronald Williams, Chair
Board of Directors, SVTA

RW:mk

Accepted 7/30/2011


Gwendolyn H. Pra

**Office of Inspector General
Florida Department of Transportation**

ATTACHMENT J – Pra’s Additional Compensation (6/30/12 – 3/7/14)

The following table shows additional compensation paid to Pra, beyond her fixed salary for the period 6/30/12 – 3/7/14. The table displays both questioned and unquestioned costs for the period.

Type	Date of Issuance	Amount	Hours	Questioned Cost
Admin Comp	08/27/2012	\$3,606.00	100	Yes
	10/12/2012	\$2,884.80	80	Yes
	11/20/2012	\$2,884.80	80	Yes
	03/04/2013	\$3,606.00	100	Yes
	05/31/2013	\$9,015.00	250	Yes
	07/19/2013	\$5,228.70	145	Yes
	08/28/2013	\$11,719.50	325	Yes
	09/12/2013	\$11,539.20	320	Yes
	09/27/2013	\$7,933.20	220	Yes
	10/11/2013	\$9,715.00	250	Yes
	11/07/2013	\$9,462.50	250	Yes
	11/22/2013	\$3,786.00	100	Yes
	12/19/2013	\$9,465.00	250	Yes
	01/31/2014	\$9,465.00	250	Yes
	02/20/2014	\$7,572.00	200	Yes
	03/03/2014	\$7,496.28	198	Yes
Total Admin Comp		\$115,378.98	3,118	
Operations Comp	10/11/2013	\$414.69		No
Total Operations Comp		\$414.69		
Annual Leave	08/23/2012	\$3,515.85	97.5	Yes
	07/19/2013	\$3,786.30	105	Yes
	02/14/2014	\$1,561.73	41.25	Yes
Total Annual Leave		\$8,863.88	243.75	
Bonuses	12/17/2012	\$400.54		No
	03/05/2013	\$453.94		No
	05/28/2013	\$991.97		No
Total Bonuses		\$1,846.45		
Holiday Pay	07/20/2012	\$288.48		Yes
	11/23/2012	\$288.48		Yes
	12/07/2012	\$216.36		Yes
Total Holiday Pay		\$793.32		
Total Additional Compensation Unquestioned Payout		\$127,297.32 (\$2,261.14)		
Total Questioned Payout		\$125,036.18		

**Office of Inspector General
Florida Department of Transportation**

ATTACHMENT K – Pra's Compensatory Package to CPA

*SUWANNEE VALLEY TRANSIT AUTHORITY
1907 VOYLES STREET
LIVE OAK, FL 32064
(386) 362-5332
1-800-258-7267*

November 14, 2013

Powell & Jones
Certified Public Accountants
1359 S.W. Main Blvd.
Lake City, FL 32025

Dear Marian:

On July 13, 2013, I computed the comp time for Gwen Pra that had not been recorded between June 2, 2012 through July 12, 2013. At that time it was determined that Ms. Pra had 1,217 comp hours that had not been recorded. When I updated the comp time sheet, I failed to calculate the hours at one and one half as is the rule for recording comp time hours after hours worked over the 40 hour work week. Due to my calculation error, Ms. Pra was shorted 608.50 hours of comp time. From July 13, 2013 through September 20, 2013, Ms. Pra worked 253.5 comp hours. This time should have been calculated at one and one half and it was not. Ms. Pra is short 126.75 comp hours for this time period. As of September 21, 2013 the comp time was calculated at one and one half times. As of September 20, 2013 was Pra was shorted a total of 735.25 comp hours.

When verifying Ms. Pra's hours worked for FY 2013 please let me know if you come to the same conclusion concerning the error in the calculation of Ms. Pra's comp time. Once this is verified, 735.25 hours of comp time will be added to Ms. Pra's balance on the November 22, 2013 Payroll. I thank you in advance for your help concerning this matter.

Sincerely,

Felonzie P. Raggins

Felonzie P. Raggins, Deputy Finance Manager
Suwannee Valley Transit Authority

OK
so noted
gp
11/14/13



7/13/2013

(FPR)

Brought Gwen Pra's Comp
Time up From 427.75
to 1498.75. Comp Time
WAS Not Recorded From
4/2/2012 - 7/12/2013

Gwen's Normal HRS Earned
M-F 5 HRS per DAY
Sat 4 HRS per DAY
Sun 4 HRS per DAY
See Attached For 1. Tasks and

Office of Inspector General
Florida Department of Transportation

~~6/1/12~~ 8h excused comp time -- Cape Canaveral NYCTP 2012 reunion
~~6/2/12~~ sat off
~~6/3/12~~ sun off from Cape Canaveral to Live Oak then tomorrow to Utah
~~6/4/12~~ to 6/15/12 we went to Utah
~~6/21/12~~ 8h sick leave -- clean out
~~6/22/12~~ 8h sick leave -- [REDACTED] -- nothing to worry -- see ya in 5 years
~~6/26/12~~ excused 8h sick time
~~6/27/12~~ excused 8h sick time
~~6/28/12~~ excused 8h sick time
~~6/29/12~~ excused 8h sick time
~~8/30/12~~ to 9/9/12 we went to Utah We left about 1800
~~9/19/12~~ 5 YEARS WITH MCBURNEY
~~10/1/12~~ to 10/5/12 we went to NYC Louies retirement party
~~10/4/12~~ 8h annual leave NYC -- 18 YEARS IN FRS
~~12/20/12~~ to 12/28/12 we went to NYC for Christmas on Amtrak
~~12/31/12~~ Speaker's Holiday
~~1/1/13~~ new years day tue off
~~1/2/13~~ to 1/10/13 I had the flu
~~1/4/13~~ sat off -- PWW at SVTA
~~1/21/13~~ MLK Day off
~~3/5/13~~ 2013 SESSION STARTED TODAY
~~3/30/13~~ sat off to Atlanta to get Christina & Shelley TLH 25.5
~~3/31/13~~ sun off back in TLH 26.0
~~4/1/13~~ to 4/5/13 -- Christina & Shelly in Tally
~~5/4/13-86~~ sat off went into office pack -- 1400-1600 2.0h comptime (M-11.5 T-122.00)
~~5/13-87~~ sun off go home pack car
~~5/22/13~~ and 5/23/12 in Tally your conference
~~6/3/13~~ to 6/5/13 I was out sick
~~6/17/13~~ Go home then to Tampa at night
~~6/18/13~~ to 6/19/13 Tampa
~~6/24/13~~ to Cape Canaveral NYCTPD reunion Jun 21 to 23
~~7/3/13~~ to Dawsonville 8h excused comptime
~~7/4/13~~ 4th of July holiday off
~~7/5/13~~ Dawsonville 8h excused comptime
~~7/6/13~~ sat off
~~7/7/13~~ sun off
~~7/8/13~~ 8h excused comptime
~~7/9/13~~ 8h excused comptime
~~7/12/13~~ 8h excused comptime

427.75

825 HRS 2012

**Office of Inspector General
Florida Department of Transportation**

**SUWANNEE VALLEY TRANSPORT AUTHORITY
TIME SHEET**

EMPLOYEE: Gwen Pra

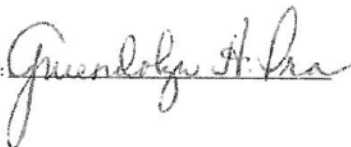
PERIOD FROM 10/1/2012 TO 1/4/2013

Week of	Sat	Sun	Mon	Tues	Wed	Thurs	Fri	TOTAL HOURS
10/1-5/12	Off	Off	Off	Off	Off	Off	off	Time Off 40 hours comp
10/6-12/12	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	8 hours	70 hours worked
10/13-19/12	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	8 hours	70 hours worked
10/20-26/12	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
10/27-11/2/12	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
11/3-9/12	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
11/10-16/12	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
11/17-23/12	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
11/24-30/12	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
12/1-7/12	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
12/8-14/12	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
12/15-21/12	14 hours	12 hours	13 hours	13 hours	13 hours	off	off	65 hours worked
12/22-28/12	Off	Off	Off	Off	Off	Off	Off	Time off 40 hours comp
12/29-1/4/13	14 hours	12 hours	13 hours	Holiday	Off Flu	Off Flu	Off Flu	39 hours worked

Total 80 hours comp
time / 844 hours worked

I certify that the hours worked each week correspond to my days off and my hours worked submitted to Finance during FY 2013 10/1/2012 through 9/30/2013.

AUTHORIZED BY:



DATE:

9/30/13

**Office of Inspector General
Florida Department of Transportation**

**SUWANNEE VALLEY TRANSPORT AUTHORITY
TIME SHEET**

EMPLOYEE: Gwen Pina

PERIOD FROM 1/5/2013 TO 4/12/2013

Week of	Sat	Sun	Mon	Tues	Wed	Thurs	Fri	TOTAL HOURS
1/5-11/13	Off Flu	Off Flu	Off Flu	Off Flu	Off Flu	Off Flu	8 hours	8 hours worked - Flu
1/12-18/13	Off	4 hours worked	8 hours	8 hours	8 hours	8 hours	8 hours	44 hours worked
1/19-25/13	13.5 hours	13.5 hours	Holiday	17 hours	17 hours	17 hours	17 hours	95 hours worked
1/26-2/1/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
2/2-8/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
2/9-15/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
2/16-22/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
2/23-3/1/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	10.5 hours	72.5 hours worked
3/2-8/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	10.5 hours	72.5 hours worked
3/9-15/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
3/16-22/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
3/23-29/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
3/30-4/5/2013	Off	Off	Off	Off	Off	Off	Off	Time off 40 hours comp
4/6-12/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked

Total 72 hours off comp time used/ 892
hours worked.

I certify that the hours worked each week correspond to my days off and my hours worked submitted to Finance during FY 2013 10/1/2012 through 9/30/2013.

AUTHORIZED BY

Gwendolyn H. Pina

DATE:

9/30/13

**Office of Inspector General
Florida Department of Transportation**

**SUWANNEE VALLEY TRANSPORT AUTHORITY
TIME SHEET**

EMPLOYEE: Gwen Fra

PERIOD FROM 4/13/2013 TO 7/19/2013

Week of	Sat	Sun	Mon	Tues	Wed	Thurs	Fri	TOTAL HOURS
4/13-19/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
4/20-26/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
4/27-5/3/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
5/4-10/13	Off	Off	13 hours	13 hours	13 hours	13 hours	13 hours	65 hours worked
5/11-17/13	8 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	77 hours worked
5/18-24/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
5/25-31/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
6/1-7/13	13.5 hours	11 hours	Off Sick	Off Sick	Off Sick	13 hours	13 hours	51 hours worked
6/8-14/13	12 hours	7 hours	13 hours	13 hours	13 hours	13 hours	13 hours	84 hours worked
6/15-21/13	9 hours	4 hours	13 hours	8 hours	8 hours	Off Vacation	Off Vacation	42 hours worked
6/22-28/13	Off Vacation	Off Vacation	13 hours	13 hours	13 hours	13 hours	16 hours	68 hours worked
6/29-7/5/13	Off	Off	18 hours	18 hours	Off Vacation	Holiday	Off Vacation	36 hours worked
7/6-12/13	Off Vacation	Off Vacation	Off Vacation	Off Vacation	21 hours	22 hours	21 hours	65 hours worked
7/13-19/13	Off	Off	13 Hours	13 Hours	13 Hours	13 Hours	3.75 hours	55.75 hours worked

Total 918.75 hours worked.

I certify that the hours worked each week correspond to my days off and my hours worked submitted to Finance during FY 2013 10/1/2012 through 9/30/2013.

AUTHORIZED BY: 

DATE: 9/30/2013

**Office of Inspector General
Florida Department of Transportation**

**SUWANNEE VALLEY TRANSPORT AUTHORITY
TIME SHEET**

EMPLOYEE: Gwen Pra

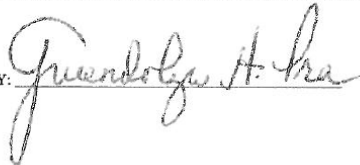
PERIOD FROM 7/20/2013 TO 9/30/2013

Week of	Sat	Sun	Mon	Tues	Wed	Thurs	Fri	TOTAL HOURS
7/20-26/13	Off	Off	13 hours	13 hours	13 hours	13 hours	3.75 hours	55.75 hours worked
7/27-8/2/13	Off	Off	13 hours	13 hours	13 hours	13 hours	13 hours	52 hours worked
8/3-9/13	Off	Off	8 Hours	8 hours	8 hours	8 hours	8 hours	40 hours worked
8/10-16/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
8/17-23/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
8/24-30/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
8/31-9/6/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
9/7-13/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
9/14-20/13	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
9/21-27/13	Off	Off	5 hours	10.5 hours	13 hours	Off	Off	28.5 hours worked
9/28-30/13	Off	Off	11 Hours					11 hours worked

Total 637.25 hours worked

I certify that the hours worked each week correspond to my days off and my hours worked submitted to Finance during FY 2013 10/1/2012 through 9/30/2013.

AUTHORIZED BY:



DATE:

9/30/13

Office of Inspector General
Florida Department of Transportation

NAME : Gwendolyn Pra														0											
DATE EMPLOYED: 8/15/2011														37.50											
FOR THE YEAR 2012														37.5											
EMPLOYEE # 100														37.50											
BEGINNING BALANCE														37.50											
SICK LEAVE														37.50											
ANNUAL LEAVE														37.50											
COMP TIME														0											
PAY PERIOD DATES	SUN	MON	TUES	WEDS	THUR	FRI	SAT	EARN	USED	BAL	EARN	USED	BAL	EARN	USED	BAL	EARN	USED	BAL	EARN	USED	BAL	EARN	USED	BAL
12/31/11-1/13/2012	8H							3.75	0.00	41.25	3.75	0.00	41.25	3.75	0.00	41.25	3.75	0.00	41.25	3.75	0.00	41.25	3.75	0.00	41.25
1/14-1/27	8H							3.75	0.00	45.00	3.75	0.00	45.00	3.75	0.00	45.00	3.75	0.00	45.00	3.75	0.00	45.00	3.75	0.00	45.00
1/28-2/10								3.75	0.00	48.75	3.75	0.00	48.75	3.75	0.00	48.75	3.75	0.00	48.75	3.75	0.00	48.75	3.75	0.00	48.75
2/11-2/24								3.75	0.00	52.50	3.75	0.00	52.50	3.75	0.00	52.50	3.75	0.00	52.50	3.75	0.00	52.50	3.75	0.00	52.50
2/25-3/9								3.75	0.00	56.25	3.75	0.00	56.25	3.75	0.00	56.25	3.75	0.00	56.25	3.75	0.00	56.25	3.75	0.00	56.25
3/10-3/23								3.75	0.00	60.00	3.75	0.00	60.00	3.75	0.00	60.00	3.75	0.00	60.00	3.75	0.00	60.00	3.75	0.00	60.00
3/24-4/6								3.75	0.00	63.75	3.75	0.00	63.75	3.75	0.00	63.75	3.75	0.00	63.75	3.75	0.00	63.75	3.75	0.00	63.75
4/7-4/20								3.75	0.00	67.50	3.75	0.00	67.50	3.75	0.00	67.50	3.75	0.00	67.50	3.75	0.00	67.50	3.75	0.00	67.50
4/21-5/4								3.75	0.00	71.25	3.75	0.00	71.25	3.75	0.00	71.25	3.75	0.00	71.25	3.75	0.00	71.25	3.75	0.00	71.25
5/5-5/18								3.75	0.00	75.00	3.75	0.00	75.00	3.75	0.00	75.00	3.75	0.00	75.00	3.75	0.00	75.00	3.75	0.00	75.00
5/19-6/1								3.75	0.00	78.75	3.75	0.00	78.75	3.75	0.00	78.75	3.75	0.00	78.75	3.75	0.00	78.75	3.75	0.00	78.75
6/2-6/15								3.75	0.00	82.50	3.75	0.00	82.50	3.75	0.00	82.50	3.75	0.00	82.50	3.75	0.00	82.50	3.75	0.00	82.50
6/16-6/29								3.75	0.00	86.25	3.75	0.00	86.25	3.75	0.00	86.25	3.75	0.00	86.25	3.75	0.00	86.25	3.75	0.00	86.25
6/30-7/13								3.75	0.00	90.00	3.75	0.00	90.00	3.75	0.00	90.00	3.75	0.00	90.00	3.75	0.00	90.00	3.75	0.00	90.00
7/14-7/27								3.75	0.00	93.75	3.75	0.00	93.75	3.75	0.00	93.75	3.75	0.00	93.75	3.75	0.00	93.75	3.75	0.00	93.75
7/28-8/10								3.75	0.00	97.50	3.75	0.00	97.50	3.75	0.00	97.50	3.75	0.00	97.50	3.75	0.00	97.50	3.75	0.00	97.50
8/11-8/24								3.75	0.00	101.25	3.75	0.00	101.25	3.75	0.00	101.25	3.75	0.00	101.25	3.75	0.00	101.25	3.75	0.00	101.25
8/25-9/7								3.75	0.00	105.00	3.75	0.00	105.00	3.75	0.00	105.00	3.75	0.00	105.00	3.75	0.00	105.00	3.75	0.00	105.00
9/8-9/21								3.75	0.00	108.75	3.75	0.00	108.75	3.75	0.00	108.75	3.75	0.00	108.75	3.75	0.00	108.75	3.75	0.00	108.75
9/22-10/5								3.75	0.00	112.50	3.75	0.00	112.50	3.75	0.00	112.50	3.75	0.00	112.50	3.75	0.00	112.50	3.75	0.00	112.50
10/6-10/19								3.75	0.00	116.25	3.75	0.00	116.25	3.75	0.00	116.25	3.75	0.00	116.25	3.75	0.00	116.25	3.75	0.00	116.25
10/20-11/2								3.75	0.00	120.00	3.75	0.00	120.00	3.75	0.00	120.00	3.75	0.00	120.00	3.75	0.00	120.00	3.75	0.00	120.00
11/3-11/16								3.75	0.00	123.75	3.75	0.00	123.75	3.75	0.00	123.75	3.75	0.00	123.75	3.75	0.00	123.75	3.75	0.00	123.75
11/17-11/30								3.75	0.00	127.50	3.75	0.00	127.50	3.75	0.00	127.50	3.75	0.00	127.50	3.75	0.00	127.50	3.75	0.00	127.50
12/1-12/14								3.75	0.00	131.25	3.75	0.00	131.25	3.75	0.00	131.25	3.75	0.00	131.25	3.75	0.00	131.25	3.75	0.00	131.25
12/15-12/28								3.75	0.00	135.00	3.75	0.00	135.00	3.75	0.00	135.00	3.75	0.00	135.00	3.75	0.00	135.00	3.75	0.00	135.00
BALANCE END OF YEAR:								97.50	0.00	135.00	97.50	0.00	135.00	97.50	0.00	135.00	97.50	0.00	135.00	97.50	0.00	135.00	97.50	0.00	135.00
COMMENTS:														1732.75 480.00 1252.75											
Payout (Yellow) IAW SVTA P&P Rules/Regs 6.4																									

Advisory Report No. 14I-9002 • Page 68 of 123

Payout (Yellow) IAW SVTA P&P Rules/Regs 6.4

**Office of Inspector General
Florida Department of Transportation**

ATTACHMENT L – Comparison of Pra’s Average Hours

Source	Average Hours per Workweek
Original Timesheets	48 ⁵²
Constructed Timesheets	67.75
Difference	19.75

Work Week	Hours
8/13/11-8/19/11	72.5
8/20/11-8/26/11	59
8/27/11-9/2/11	56.75
9/3/11-9/9/11	51.25
9/24/11-9/30/11	75
10/1/11-10/7/11	70.75
10/8/11-10/14/11	67.75
10/15/11-10/21/11	68.75
10/22/11-10/28/11	57.25
10/29/11-11/4/11	63.5
11/19/11-11/25/11	50
11/26/11-12/2/11	64
12/3/11-12/9/11	62
12/10/11-12/16/11	48.5
12/17/11-12/23/11	51
12/24/11-12/30/11	47
1/28/12-2/3/12	73
2/4/12-2/10/12	48
2/11/12-2/17/12	65.75
2/18/12-2/24/12	60
Average	60.59

Pre-scope work hours reported by Pra - these timesheets average to 60.59 hours per workweek. Six missing timesheets during this period.

Work Week	Hours
7/14/12-7/20/12	22.5
7/21/12-7/27/12	12.5
11/3/12-11/9/12	52.5
11/10/12-11/16/12	70.5
6/29/13-7/5/13	35.5
7/6/13-7/12/13	41.5
7/13/13-7/19/13	50.25
7/20/13-7/26/13	50.75
7/27/13-8/2/13	32
8/3/13-8/9/13	40
Average	40.8

Original timesheets for 10 workweeks showing actual work hours reported by Pra - these timesheets average to 40.8 hours per workweek.

Eight of the ten workweeks fall within the constructed period.

⁵² This average contains actual data for the 50 original timesheets.

**Office of Inspector General
Florida Department of Transportation**

Work Week	Hours
10/1/12-10/5/12	0
10/6/12-10/12/12	70
10/13/12-10/19/12	70
10/20/12-10/26/12	75
10/27/12-11/2/12	75
11/3/12-11/9/12	75
11/10/12-11/16/12	75
11/17/12-11/23/12	75
11/24/12-11/30/12	75
12/1/12-12/7/12	75
12/8/12-12/14/12	75
12/15/12-12/21/12	65
12/22/12-12/28/12	0
12/29/12-1/4/13	39
1/5/13-1/11/13	8
1/12/13-1/18/13	44
1/19/13-1/25/13	95
1/26/13-2/1/13	75
2/2/13-2/8/13	75
2/9/13-2/15/13	75
2/16/13-2/22/13	75
2/23/13-3/1/13	72.5
3/2/2013-3/8/13	72.5
3/9/13-3/15/13	75
3/16/13-3/22/13	75
3/23/13-3/29/13	75
3/30/13-4/5/13	0
4/6/13-4/12/13	75
4/13/13-4/19/13	75
4/20/13-4/26/13	75
4/27/13-5/3/13	75
5/4/13-5/10/13	65
5/11/13-5/17/13	77
5/18/13-5/24/13	75
5/25/13-5/31/13	75
6/1/13-6/7/13	51
6/8/13-6/14/13	84
6/15/13-6/21/13	42
6/22/13-6/28/13	68
6/29/13-7/5/13	36
7/6/13-7/12/13	65
7/13/13-7/19/13	55.75
7/20/13-7/26/13	55.75
7/27/13-8/2/13	52
8/3/13-8/9/13	40
8/10/13-8/16/13	75
8/17/13-8/23/13	75
8/24/13-8/30/13	75
8/31/13-9/6/13	75
9/7/13-9/13/13	75
9/14/13-9/20/13	75
Average w/o "0s"	67.76
Avg with "0s"	63.77

This data was extracted from Pra's constructed timesheets for this 52 week period. These timesheets average to 67.76 hours per workweek. The three weeks reflecting "0" hours worked (10/1/12-10/5/12, 12/22/12-12/28/12 & 3/30/13-4/5/13) were excluded from the average.

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Work Week	Hours
9/21/13-9/27/13	28.5
9/28/13-10/4/13	53.75
10/5/13-10/11/13	47.25
10/12/13-10/18/13	39.5
10/19/13-10/25/13	0
10/26/13-11/1/13	46.25
11/2/13-11/8/13	37
11/9/13-11/15/13	39.25
11/16/13-11/22/13	25
11/23/13-11/29/13	0
11/30/13-12/6/13	44.5
12/7/13-12/13/13	54.75
12/14/13-12/20/13	32.75
12/21/13-12/27/13	0
12/28/13-1/3/14	0
1/4/14-1/10/14	49.25
1/11/14-1/17/14	35.75
1/18/14-1/24/14	25
1/25/14-1/31/14	54.75
2/1/14-2/7/14	29.75
2/8/14-2/14/14	45.5
2/15/14-2/21/14	27.5
2/22/14-2/28/14	29.5
3/1/14-3/7/14	43.25
Average	39.44
Avg with "0s"	32.86

Original timesheets were obtained for this period. **These timesheets average to 39.44 hours per workweek.** The four weeks reflecting "0" hours worked (10/19/13-10/25/13, 11/23/13-11/29/13, 12/21/13-12/27/13 & 12/28/13-1/3/14) were excluded from the average.

**Office of Inspector General
Florida Department of Transportation**

ATTACHMENT M – Pra’s Timesheet Comparison 1 – Pay Period 11/3/12 – 11/16/12

The table below compares Pra’s original timesheets for the pay period 11/3/12 through 11/16/12 to the constructed timesheets for the same period.

Comparison of Original to Constructed Timesheets

Work Week		Sat	Sun	Mon	Tue	Wed	Thu	Fri	Total Hours Recorded	Actual Total Hours	Total Comp	Comp @ 1.5 hours
11/3/12-11/9/12	Original	8	-	12.5	-	12.25	8.25	11	52	52	12	18.00
	Constructed	6	4	13	13	13	13	13	75	75	35	52.50
11/10/12-11/16/12	Original	10	3.5	11.5	13.5	12	9	11	70.5	70.5	30.5	45.75
	Constructed	6	4	13	13	13	13	13	75	75	35	52.50
Original									122.5	122.5	42.5	63.75
Constructed									150	150	70	105
Differences									27.5	27.5	27.5	41.25

1. The hours on the original timesheets do not match the hours on the constructed timesheets.
 - a. A review of the original and constructed timesheets for Weeks 1 and 2 identified differences in the daily time entries for all days recorded for the pay period. Time entries recorded on the original timesheet followed no predictable pattern. The entries recorded on the constructed timesheet followed the work pattern described in the November 14, 2013, letter to Powell & Jones addressing Pra’s comp adjustment (13 hours per weekday, 6 hours per Sat, and 4 hours per Sunday.)
 - b. The total hours recorded on the constructed timesheet is 27.5 hours higher than the total reflected on the original timesheet. When multiplied by 1.5, this additional 27.5 hours increased Pra’s comp leave balance by a total of 41.25 hours.
 - c. A total of 70 hours of comp leave was recorded as earned on the LLS for the 2-week pay period (see LLS excerpt).
 - d. The original timesheet is initialed “Gp” and dated 11/17/12. The constructed timesheet covering this period is signed “Gwendolyn H. Pra” and dated 9/30/13.
2. Pra was paid for 8 hours of holiday pay (Veterans Day) in addition to her fixed salary. The pay stub for the period reflects 80 regular hours, plus an additional 8 hours of holiday pay (see pay stub excerpt below.)

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Florida Department of Transportation**

Original Timesheet

From: 11/03/12 Thru: 11/16/12

100-PRA, G

DATE	TIME IN	AT	TIME OUT	LCH	ADJ	HRS	STD	OT1	OT2
11/03/12	6am	Sat 02:03p	Work	Sat 02:03p	Verdict Disaster Trng				
11/05/12	L	Mon 06:31a	Work	Mon 07:03p		12:32		12:32	
11/07/12	H	Wed 06:02a	Work	Wed 06:15p		12:13		12:13	
11/08/12	H	Thu 07:20a	Work	Thu 03:30p E		8:10		8:10	
11/09/12	H	Fri 05:49a	Work	Fri 04:48p		10:59		10:59	
11/10/12	HM	Sat 09:05a	Work	Sun 10:44a	SAT 4pm	24:00	10:00	24:00	10:00
11/11/12	HM	Sun 10:45a	Work	Mon 10:53a	2:10 pm	24:00		24:00	
11/12/12	HM	6:30 am Mon 10:55a	Work	Wed 05:31a	6 pm	24:00		24:00	
11/14/12	HM	Wed 05:31a	Work	Thu 05:03a	5:30 pm	24:00		24:00	
11/15/12	HM	Thu 09:04a	Work	Thu 05:58p	✓	8:54		8:54	
11/16/12	H	✓ Fri 06:37a	Work	Fri 05:32p	✓	10:55		10:55	
Totals:						159:43		159:43	

Signature: Jp 11/17/12

6³⁰
3

11/13 Tues - 7:35a - 9pm Board mtg - close bldg. Security Check

11/17 - HR work - Minatree, Julie, Janie
Fixed Route - 1st rider
System Renew for Security bid

**Office of Inspector General
Florida Department of Transportation**

Pay Stub

Employee Pay Stub		Check number: 15226	Pay Period: 11/03/2012 - 11/16/2012	Pay Date: 11/23/2012
Employee				
Gwendolyn H Pra, [REDACTED]				
Earnings and Hours	Qty	Rate	Current	YTD Amount
Admin-Salary	80:00		2,894.62	37,500.06
Admin Holiday Pay - H	8:00	36.06	288.48	846.16

Leave Liability Statement

NAME : Gwendolyn Pra		37.5			37.50			0		
DATE EMPLOYED: 8/15/2011		SICK LEAVE			ANNUAL LEAVE			COMP TIME		
PAY PERIOD DATES		EARN	USED	BAL	EARN	USED	BAL	EARN	USED	BAL
11/3-11/16		3.75		123.75	3.75		26.25	70.00	0.00	1167.75
11/17-11/30		3.75		127.50	3.75		30.00	70.00	80.00	1157.75

Constructed Timesheet

11/3-9/12	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked
11/10-16/12	6 hours	4 hours	13 hours	13 hours	13 hours	13 hours	13 hours	75 hours worked

**Office of Inspector General
Florida Department of Transportation**

ATTACHMENT N – Pra’s Timesheet Comparison 2 – Pay Period 6/29/13 – 7/12/13

The table below compares Pra’s original timesheets for the pay period 6/29/13 through 7/12/13 to the constructed timesheets for the same period.

Comparison of Original to Constructed Timesheets

Work Week		Sat	Sun	Mon	Tue	Wed	Thu	Fri	Total Hours Recorded	Actual Total Hours	Total Comp	Comp @ 1.5 hours
6/29/13-7/5/13	Original	5.5	-	12	10	-	8	-	35.5	35.5	-4.5	-
	Constructed	off	off	18	18	Vac	-	Vac	36	36	-	-
7/6/13-7/12/13	Original	-	-	13	7.5	11.5	9.5	-	41.5	41.5	1.5	2.25
	Constructed	Vac	Vac	Vac	Vac	21	22	21	65	64	21	31.5
Original									77	77	-3	2.25
Constructed									101	100	21	31.5
Differences									24	23	24	29.25

1. The hours on the original timesheets do not match the hours on the constructed timesheets. In addition, the constructed timesheet for Week 2 of the pay period contains a computation error. In the table above, the Total Hours Recorded column reflects the hours as recorded in SVTA’s time and attendance system. The Actual Total Hours column reflects FDOT OIG calculated hours based upon the daily time entries recorded on the original and constructed timesheets.
 - a. In the example above, 65 hours are recorded as worked on the constructed timesheet for Week 2. However, the constructed timesheet totals to 64 hours (21+22+21) resulting in an additional 1 hour of unsupported comp recorded.
 - b. The original timesheet is signed “Gwendolyn H. Pra” and dated 7/15/13. The constructed timesheet covering this period is signed “Gwendolyn H. Pra” and dated 9/30/13.
2. Twenty-one hours of comp leave was recorded as earned on the LLS (see excerpt on page 38). Unlike all other pay periods, the comp leave accrual is calculated based on the 80-hour pay period (as opposed to the 40-hour workweek). The 21 hours is derived from [Week 1(36) + Week 2 (65) = 101 hours - 80 hour standard workweek = 21 hours comp]. This accrual method was not consistent with all other pay periods.

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Original Timesheet

Timecard Report - Time Clock Page 33 of 39

From: 06/29/13 Thru: 07/12/13

100-PRA, G

DATE	TIME IN	AT	TIME OUT	LCH	ADJ	HRS	STD	OT1	OT2
06/29/13	L Sat 07:37a	Work	Sat 01:11p			5:34		5:34	
07/01/13	H Mon 07:21a	Work	Mon 07:16p			11:55		11:55	
07/02/13	H Tue 08:39a	Work	Tue 06:39p			10:00		10:00	
07/08/13	H Mon 07:56a	Work	+Mon 09:00p E			13:04		13:04	
07/09/13	L Tue 08:03a	Work	NOTE: Failed to clock out. Corrected By: CYF +Tue 03:30p E			7:27		7:27	
07/10/13	HM Wed 07:34a	Work	NOTE: Failed to clock out. Corrected by: CYF Thu 08:37a			24:00	11.5	24:00	
07/11/13	HM Thu 08:37a	Work	Sat 08:37a			24:00	9.5	24:00	
Totals:						96:00		96:00	

Signature: *Gwendolyn H. Pra* 7/15/13

67.5 Regular
8H
4.5 Comp

Comp Earned Already Computed

Pay Stub

Employee Pay Stub	Check number:	Pay Period: 06/29/2013 - 07/12/2013
Employee		
Gwendolyn H. Pra. [REDACTED]		
Earnings and Hours	Qty	Rate
Admin-Salary	67:30	2,578.96
Admin Holiday Pay - S	8:00	305.68
Admin - Comp	4:30	
YTD Amount		
38,925.18		
1,459.50		
12,621.00		
Direct Deposit		
Checking - [REDACTED]		
Paid Time Off		

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Leave Liability Statement

NAME : Gwendolyn Pra	135			37.50			1252.75		
DATE EMPLOYED: 8/15/2011	SICK LEAVE			ANNUAL LEAVE			COMP TIME		
PAY PERIOD DATES	EARN	USED	BAL	EARN	USED	BAL	EARN	USED	BAL
6/29-7/5/12	3.75	0.00	187.50	3.75	0.00	-15.00	21.00	0.00	1519.75
7/13-7/26	3.75	0.00	191.25	3.75	0.00	-11.25	31.50	0.00	1551.25
7/27-8/9	3.75	0.00	195.00	3.75	0.00	-7.50	12.00	8.00	1555.25
8/10-8/23	3.75	0.00	198.75	3.75	0.00	-3.75	70.00	325.00	1900.25
8/24-9/6	3.75	0.00	202.50	3.75	0.00	0.00	70.00	320.00	1050.25
9/7-9/20	3.75	0.00	206.25	3.75	0.00	3.75	70.00	220.00	900.25

Constructed Timesheet

6/29-7/5/13	Off	Off	18 hours	18 hours	Off Vacation	Holiday	Off Vacation	36 hours worked
7/6-12/13	Off Vacation	Off Vacation	Off Vacation	Off Vacation	21 hours	22 hours	21 hours	65 hours worked

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Florida Department of Transportation**

ATTACHMENT O – Pra’s Timesheet Comparison 3 - Pay Period 7/13/13 – 7/26/13

The table below compares Pra’s original timesheets for the pay period 7/13/13 through 7/26/13 to the constructed timesheets for the same period.

Comparison of Original to Constructed Timesheets

Work Week		Sat	Sun	Mon	Tue	Wed	Thu	Fri	Total Hours Recorded	Actual Total Hours	Total Comp	Comp @ 1.5 hours
7/13/13-7/19/13	Original	4.75	-	8	8	8	13.75	7.75	50.25	50.25	10.25	15.38
	Constructed	off	off	13	13	13	13	3.75	55.75	55.75	15.75	23.63
7/20/13-7/26/13	Original	8.75	-	8	8	10	8	8	50.75	50.75	10.75	16.13
	Constructed	off	off	13	13	13	13	3.75	55.75	55.75	15.75	23.63
									Original	101	101	21
									Constructed	111.5	111.5	31.5
									Differences	10.5	10.5	10.5

1. The hours on the original timesheets do not match the hours on the constructed timesheets.
 - a. A review of the original and constructed timesheets for Weeks 1 and 2 of the pay period reveal differences in the daily time entries for all days except Sunday, July 14, 2013, and Sunday, July 21, 2013, both of which are recorded as time off.
2. The constructed timesheets result in an additional 10.5 hours of comp leave recorded on the LLS (before the application of the 1.5 multiplier).
 - a. The original timesheets for the pay period reflect the accrual of 21 comp hours; the constructed timesheets reflect the accrual of 31.5 comp hours. The LLS for this period reflects 31.5 comp hours accrued (before the time and a half multiplier is applied).

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Original Timesheet

From: 07/13/13 Thru: 07/26/13

100-PRA, G

DATE	TIME IN	AT	TIME OUT	LCH	ADJ	HRS	STD	OT1	OT2
07/13/13	Sat 07:00a E	Work	Sat 11:49a			4:49		4:49	
07/16/13	Mon 08:02a	Work	Tue 07:01p			24:00		24:00	
07/17/13	Wed 08:08a	Work	Thu 08:08a			23:01		23:01	
07/18/13	Thu 08:09a	Work	Thu 09:48p			13:39		13:39	
07/19/13	Fri 08:52a	Work	Fri 04:38p			7:48		7:46	
07/20/13	Sat 08:16a	Work	Sat 05:01p			8:45		8:45	
07/22/13	Mon 08:23a	Work	Tue 08:12a			23:48		23:48	
07/23/13	Tue 08:13a	Work	Add Punch						
07/24/13	+Wed 08:15a E	Work	Wed 04:19p			10:04		10:04	
07/25/13	NOTE: Started work at home. Corrected By: CYF Thu 08:18a	Work	Fri 05:03p			24:00		24:00	
Totals:						139:53		139:53	

Signature: _____

[Handwritten Signature]

21 hrs @ O.T. X 1.5 = 31.5 compensated

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Leave Liability Statement

NAME : Gwendolyn Pra	37.50			1252.75		
DATE EMPLOYED: 8/15/2013	ANNUAL LEAVE			COMP TIME		
PAY PERIOD DATES	EARN	USED	BAL	EARN	USED	BAL
6/1-6/14	3.75	0.00	82.50	55.00	0.00	1613.75
6/15-6/28	3.75	0.00	86.25	30.00	145.00	1498.75
6/29-7/12	3.75	105.00	-15.00	21.00	0.00	1519.75
7/13-7/26	3.75	0.00	-11.25	31.50	0.00	1551.25
7/27-8/9	3.75	0.00	-7.50	12.00	8.00	1555.25
8/10-8/23	3.75	0.00	-3.75	70.00	325.00	1300.25
8/24-9/6	3.75	0.00	0.00	70.00	320.00	1050.25
9/7-9/20	3.75	0.00	3.75	70.00	220.00	900.25

Constructed Timesheet

7/13-19/13	Off	Off	13 Hours	13 Hours	13 Hours	13 Hours	3.75 hours	55.75 hours worked
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7/20-26/13	Off	Off	13 hours	13 hours	13 hours	13 hours	3.75 hours	55.75 hours worked
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ATTACHMENT P – Pra’s Timesheet Comparison 4 – Pay Period 7/27/13 – 8/9/13

The table below compares Pra’s original timesheets for the pay period 7/27/13 through 8/9/13 to the constructed timesheets for the same period.

Comparison of Original to Constructed Timesheets

Work Week		Sat	Sun	Mon	Tue	Wed	Thu	Fri	Total Hours Recorded	Actual Total Hours	Total Comp	Comp @ 1.5 hours
7/27/13-8/2/13	Original	-	-	0.75	10.75	8	7.75	4.75	32	32	-8	-
	Constructed	off	off	13	13	13	13	13	52	65	12	18
8/3/13-8/9/13	Original	8	-	8	-	-	8	8	40	32	8	12
	Constructed	off	off	8	8	8	8	8	40	40	0	0
Original									72	64	0	12
Constructed									92	105	12	18
Differences									20	41	12	6

1. The hours on the original timesheets do not match the hours on the constructed timesheets. In addition, both the original and constructed timesheets contain computation errors. In the table above, the Total Hours Recorded column reflects the hours as recorded in SVTA’s time and attendance system. The Actual Total Hours column reflects FDOT OIG calculated hours based upon the daily time entries recorded on the original and constructed timesheets.
 - a. Week 1 – Original timesheet reflects 32 regular hours worked and 8 hours of comp leave used; constructed timesheet records 52 hours worked and 12 hours of comp earned. As noted in the Actual Total Hours column, the daily time entries recorded on the constructed timesheet for this week actually total to 65 hours worked. This SVTA computation error can be seen in the timesheet excerpt below.
 - b. Week 2 - Original timesheet reflects 40 regular hours worked and 8 hours of comp leave earned. As noted in the Actual Total Hours column, the daily time entries recorded on the original timesheet for this week actually total to 32 hours worked. This SVTA computation error can be seen in the timesheet excerpt below. The constructed timesheet shows 40 hours worked only.
2. Due to the computation error in the original timesheet for Week 2, Pra earned 12 hours of unsupported comp leave.
 - a. Specifically, the 8 hours of comp leave is multiplied by 1.5 (time and a half) at the bottom of the timesheet, resulting in a net of 12 comp hours recorded as earned during the pay period.
 - b. The original automated time entries for week 2 indicate Pra worked only two days at 24 hours per day. Additional hand-written notes modify these hours worked as reflected in the timesheet excerpt below. The modified time entries via the notes indicate that Pra actually worked 32 hours for the week.

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3. The pay stub for the period shows that Pra was paid for 72 regular work hours and 8 hours of comp leave used. The LLS for the period shows 12 comp hours earned and 8 comp hours used. Again, the constructed timesheet does not reflect the use of 8 hours of comp leave.
4. Due to the above-described discrepancies, the work hours listed on the pay stub for this pay period cannot be validated.

Original Timesheet

From: 07/27/13 Thru: 08/09/13										
100-PRA, G										
DATE	TIME IN	AT	TIME OUT	LCH	ADJ	HRS	STD	OT1	OT2	
07/29/13	Mon 08:10a	Work	Mon 08:30a			0:20		0:20		<i>32 Reg 8 Comp</i>
L	Mon 08:31a	Work	Mon 09:05a			0:34		0:34		
L										
07/30/13	Tue 08:47a	Work	+Tue 05:30p E			10:43		10:43		
H										
07/31/13	Wed 08:13a	Work	NOTE: Failed to Clock out. Corrected By: CYF Thu 09:54a - OUT-8hr					24:00		
HM	Thu 09:54a	Work	Thu 05:34p			7:40		7:40		
08/01/13	L									
08/02/13	Fri 01:10p	Work	Fri 05:58p			4:48		4:48		
L										
08/03/13	Sat 08:54a	Work	Mon 07:00a			24:00		24:00		
HM	Mon 07:00a	Work	Mon 07:24a			0:24		0:24		
08/06/13	L									
HM	Mon 08:48a	Work	Add Punch - OUT			24:00		24:00		
Totals:						96:27		96:27		

Signature: _____

~~T -~~
W -
Th - 8 hrs - 5:00
F - - 3:30 - 8 hrs
S -

*72 Reg
8 Comp*

8 x 1.5 = 12 Comp Earned

<http://192.168.1.245/report.html> 8/11/2013

**Office of Inspector General
Florida Department of Transportation**

Pay Stub

Employee Pay Stub		Check number:		Pay Period: 07/27/2013 - 08/09/2013	
Employee					
Gwendolyn H Pra. [REDACTED]					
Earnings and Hours		Qty	Rate	Current	YTD Amount
Admin-Salary		72:00		2,884.62	44,694.42
Admin - Comp		8:00			17,849.70
Administration Salary					
				Direct Deposit	
				Checking - [REDACTED]	
				Paid Time Off	

Constructed Timesheet

PERIOD FROM 7/20/2013 TO 9/30/2013								
Week of	Sat	Sun	Mon	Tues	Wed	Thurs	Fri	TOTAL HOURS
7/27-8/2/13	Off	Off	13 hours	13 hours	13 hours	13 hours	13 hours	52 hours worked
8/3-9/13	Off	Off	8 hours	8 hours	8 hours	8 hours	8 hours	40 hours worked

**Office of Inspector General
Florida Department of Transportation**

ATTACHMENT Q – Pra’s Timesheet Comparison 5 – Pay Period 1/28/12 – 2/10/12

The table below compares Pra’s original timesheets for the pay period 1/28/12 through 2/10/12 (dated February 13, 2012), to an unsigned, revised version of the timesheets for the same pay period (dated August 21, 2012).

Comparison of Original to Revised Timesheets

Work Week		Sat	Sun	Mon	Tue	Wed	Thu	Fri	Total Hours Recorded	Actual Total Hours	Total Comp	Comp @ 1.5 hours
1/28/12-2/3/12	Original	14	9	10	10	10	10	10	75	73	35	52.50
	Revised	0	4	12	11.5	11.5	12.5	12.5	63	64	23	34.50
2/4/12-2/10/12	Original	-	-	10	10	10	10	8	48	48	8	12.00
	Revised	5	5	12	12.25	12.5	11.5	11.5	69.75	69.75	29.75	44.75
Original									123	121	43	64.50
Revised									132.75	133.75	52.75	79.125
Differences									9.75	12.75	9.75	14.75

1. The hours on the original timesheets do not match the hours on the revised timesheets.
 - a. A review of the original and revised timesheets for Weeks 1 and 2 identified differences in the daily time entries for all days recorded for the pay period.
 - b. The original timesheet for Week 1 reflects 73 actual total hours worked (40 regular hours; 33 comp hours). Due to a computation error, 75 total hours worked are recorded on the timesheet. This error resulted in the addition of 3 hours of unearned comp time to Pra’s LLS (2 extra hours x 1.5 = 3 hours).
 - c. The revised timesheet for Week 1 reflects 64 actual total hours worked (40 regular hours; 24 comp hours). Due to a computation error, 63 total hours worked are recorded on the timesheet. This error resulted in the omission of 1.5 hours of comp time from Pra’s LLS (1 unrecorded hour x 1.5 = 1.5 hours).
2. The LLS for the period reflects 79.25 comp hours earned (79.125 hours rounded up to the nearest .25 hour). This implies the hours reflected on the revised timesheets were used to calculate Pra’s comp hours earned for the period. This comp leave calculation is 14.75 hours higher than the comp hours reflected on the original timesheets.
3. In addition, the descriptions contained in the notes section (“reasons for overtime & authorizations”) of each weekly timesheet reflect completely different explanations of daily work activities.
4. Unlike the original timesheets, the revised timesheet is not signed and is dated August 21, 2012, six months after the pay period. There is no original LLS for the period covered by the revised timesheet.

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Original Timesheet

Suwannee Valley Transit Authority

PERSONNEL TIME SHEET

EMPLOYEE	Pra, Gwendolyn H.	
PAY PERIOD	FROM: 2012-1/28	TO: 2012-2/10

DAY	DATE	TIME IN	TIME OUT	TOTAL HRS	NORMAL HRS	AUTH OVER-TIME HRS	LEAVE HRS	NOTES (Reason for overtime & authorization)
SAT	1/28					14.0		Preparing Presentation for Columbia County
SUN						9.0		Preparing Presentation for Columbia
MON					8.0	2.0		Work day plus attendance at Columbia BOCC
TUE					8.0	2.0		5311 and Loan Package
WED					8.0	2.0		Loan Package
THR					8.0	2.0		Loan Package
FRI					8.0	2.0		5311/Loan Package
TOTAL A					40	35.0		

DAY	DATE	TIME IN	TIME OUT	TOTAL HRS	NORMAL HRS	AUTH OVER-TIME HRS	LEAVE HRS	NOTES (Reason for overtime & authorization)
SAT						-		
SUN						-		
MON					8.0	2.0		Grahams Complaint
TUE					8.0	2.0		Grahams Complaint
WED					8.0	2.0		Grahams Complaint
THR					8.0	2.0		Meeting with Steven Holmes, Exec Dir of Commission
FRI					8.0		8.0	Moving
TOTAL								
TOTAL B					40	8.0		

TYPE OF LEAVE TAKEN	HOURS TAKEN	OVERTIME TYPE	HOURS EARNED	X RATE	TOTAL
ANNUAL		COMP	43	1.5	64 1/2
SICK		PAID		1.5	
COMP TIME		MISC		1.5	
OTHER					

EMPLOYEE'S SIGNATURE Gwendolyn Pra
SUPERVISOR'S SIGNATURE _____

Monday, February 13, 2012

**Office of Inspector General
Florida Department of Transportation**

Revised Timesheet

Suwannee Valley Transit Authority

PERSONNEL TIME SHEET

EMPLOYEE	PRA	Gwendolyn H.
PAY PERIOD	FROM: 2012-01-28	THRU: 2012 02 11

DAY	DATE	TIME IN	TIME OUT	TOTAL HRS	NORMAL HRS	AUTH OVER-TIME HRS	LEAVE HRS	NOTES (Reason for overtime & authorization)
SAT	JAN 28	0	0	0	0		0	Admin Desk
SUN	JAN 29	0	0	4	0	4	0	Admin Desk - Review Draft Slides for Col Co. Briefing
MON	JAN 30	09:30	21:30	12.0	8	4	0	Admin Desk Col. Co. Meeting in Lake City
TUE	JAN 31	06:30	18:00	11.5	8	3.5	0	Admin Desk Prepare for Jasper Meeting
WED	FEB 01	06:30	18:00	11.5	8	3.5	0	Jasper Meeting / Job Description for Admin & Ops Mgr positions. Set up for Interviews
THR	FEB 02	06:00	18:30	12.5	8	4	0	Early interview x 2. Work with Bill and MK on next Columbia County Briefing (loan request)
FRI	FEB 03	06:30	19:00	12.5	8	4	0	Work with WHS Financial Data prep for Col. Co Briefing
TOTAL				64	40	23		

DAY	DATE	TIME IN	TIME OUT	TOTAL HRS	NORMAL HRS	AUTH OVER-TIME HRS	LEAVE HRS	NOTES (Reason for overtime & authorization)
SAT	FEB 04	11:00	16:00	5		5		Continue with preparations for Col Co. Briefings
SUN	FEB 05	11:00	16:00	5		5		Continue with Col Co. Briefing
MON	FEB 06	06:30	18:30	12	8	4		Continue with Col Co. Briefing
TUE	FEB 07	06:30	19:45	12.25	8	4.25		Late meeting with vendors
WED	FEB 08	06:30	19:00	12.5	8	4.5		Prepare for Director of TD's Briefing
THR	FEB 09	06:30	18:00	11.5	8	3.5		Work on "positive cash flow" proposals from two companies wanting bus service
FRI	FEB 10	06:30	18:00	11.5	8	3.5		Complete Proposals & Review
TOTAL				69.75	40	29.75		

TYPE OF LEAVE TAKEN	HOURS TAKEN	OVERTIME TYPE	HOURS EARNED	X RATE	TOTAL
ANNUAL		COMP	52.75	1.5	79.125
SICK		PAID		1.5	
COMP TIME		MISC		1.5	
OTHER					

EMPLOYEE'S SIGNATURE	
SUPERVISOR'S SIGNATURE	
ADMINISTRATOR'S SIGNATURE	

Tuesday, August 21, 2012

**Office of Inspector General
Florida Department of Transportation**

Leave Liability Statement

NAME : Gwendolyn Pra		FOR THE YEAR		2012		EMPLOYEE #		100		BEGINNING BALANCE						0		
DATE EMPLOYED: 8/15/2011		COMP TIME																
PAY PERIOD DATES	SUN	MON	TUES	WEDS	THUR	FRI	SAT	SUN	MON	TUES	WEDS	THUR	FRI	SAT	EARN	USED	BAL	
12/31/11-1/13/2012		8H													0.00	0.00	0.00	
1/14-1/27		8H							8H						90.75	0.00	90.75	
1/28-2/10															79.25	0.00	170.00	

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Florida Department of Transportation**

ATTACHMENT R – Steele’s Additional Compensation (6/30/12 – 3/7/14)

The following table shows additional compensation paid to Steele, beyond his fixed salary for the period 6/30/12 – 3/7/14. The table displays both questioned and unquestioned costs for the period.

Type	Date of Issuance	Amount	Hours	Questioned Cost
Admin Comp	08/11/2012	\$2,424.00	80	Yes
	10/12/2012	\$2,424.00	80	Yes
	01/15/2013	\$2,424.00	80	Yes
	03/04/2013	\$3,030.00	100	Yes
	04/26/2013	\$2,424.00	80	Yes
	05/31/2013	\$8,175.00	250	Yes
	07/19/2013	\$8,175.00	250	Yes
	08/28/2013	\$8,175.00	250	Yes
	09/13/2013	\$9,810.00	300	Yes
	01/31/2014	\$8,585.00	250	Yes
	02/13/2014	\$8,585.00	250	Yes
Total Admin Comp		\$64,231.00	1,970	
Bonuses	12/17/2012	\$400.54		No
	03/05/2013	\$453.94		No
	05/28/2013	\$991.97		No
Total Bonuses		\$1,846.45		
Holiday Pay	07/20/2012	\$532.80		Yes
	11/23/2012	\$196.95		Yes
	11/22/2013	\$223.21		Yes
	01/31/2014	\$120.19		Yes
Total Holiday Pay		\$1,073.15		
Total Additional Compensation		\$67,150.60		
Unquestioned Payout		(\$1,846.45)		
Total Questioned Payout		\$65,304.15		

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ATTACHMENT S – Affected Party Response - Gwendolyn Pra

In accordance with Section 20.055(5)(e), Florida Statutes, as an individual substantially affected, Ms. Pra was provided an opportunity to respond to the findings contained herein. No response was received from Ms. Pra.

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ATTACHMENT T – Affected Party Response - William Steele

In accordance with Section 20.055(5)(e), Florida Statutes, as an individual substantially affected, Mr. Steele was provided an opportunity to respond to the findings contained herein. Mr. Steele's response is provided on pages 91 through 116.

**Office of Inspector General
Florida Department of Transportation**

2014-January-15- 1114hrs

MEMORANDUM FOR Office of the Inspector General, Florida Department of Transportation (Attn: Mr. Robert E. Clift)

SUBJECT: Advisory Report N 141-9002, Suwannee Valley Transit Authority, Draft for Affected Party Review

On Friday, December 12, 2014, at 1730 hours, I received a copy of an audit report from Mr. Chris Sullivan, Director of Audit, which was prepared by the Florida Department of Transportation, Office of the Inspector General (FDOT-OIG), and with help from the Agency for Health Care Administrations, Office of Inspector General (AHCA-OIG). This audit report indicates that Stephen Holmes, Executive Director for the Florida Commission for Transportation Disadvantaged (CTD) expressed concerns over labor and fringe benefit data reported to CTD by the Suwannee Valley Transit Authority (SVTA) and wanted a review to be done on SVTA.

In this audit report, FDOT-OIG appears to have found three (3) separate and distinct irregularities committed by SVTA in the course of its operations:

- 1) SVTA chart of accounts and general ledger are not maintained in accordance with accounting principles contained in, or referenced by, the contract terms and agreements; AND
- 2) SVTA failed to manage administrative personnel time sheets, leave, over time, and compensatory time resulting in inaccurate labor and fringe benefit reporting, unsupported accrual of leave, and un-allowed leave payments; AND
- 3) The SVTA Administrator employed practices, without obtaining board authorization, which resulted in her personal benefit and the benefit of the director of operations, which includes the Administrator and Director of Operations receiving just under \$193,000 in unallowable payouts beyond their salaries, between June 2012, through March 2014.

In his email to me, Mr. Chris Sullivan stated that I may respond to the report if I wish to do so and that I had 20 working days in which to respond. I replied to Mr. Sullivan requesting an extension to the 20 day response period - reminding him of the fact that I am no longer residing in Florida, and the fact that he elected to release this report during the Christmas season, during which time I will be away from home and have limited to no access to files or SVTA staff. Mr. Sullivan denied my request for a reasonable extension based, as he stated, on Florida Statute. Due to the unreasonably short amount of time that I am allowed to respond to this audit report, understanding that it took the FDOT well over five [5] months to release this report and due to the fact that I have limited access to records, files and to SVTA staff, all of which I would need in order to formulate an accurate reply, I will do my best to respond. After having thoroughly reviewed this audit report, I *NON-CONCUR* with all three of the findings as stated.

I will present my response in three (3) part.

Part I: PREFACE. So that the FDOT IG can have a true and complete understanding of SVTA, and its management actions, a brief review of SVTA prior to the time frame that audit covers, is mandatory.

PART II: SYNOPSIS. Here, I will provide a brief synopsis as to my response to the FDOT IG's audit three (3) findings.

PART III: This section will detail my response to each point, (page by page) of this, the FDOT's IG audit report.

PART I: PREFACE

I will state the reasoning for my non-concurrence and explain why I dispute the findings by addressing this FDOT-OIG's report point by point. Before I address each point as stated in this report, I must first make

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comment regarding the basic foundation and premise on which this report is based. Though not specifically stated in this audit report's opening remarks, the time period of this review appears to be from 30 June 2012 to 31 March 2014. This audit report fails to make any mention as to the condition of SVTA prior to this specific period of time. Failure to consider the state of SVTA prior to this specific time period grossly skews the true picture of what was being done at SVTA - what had to be done at SVTA - during this period in order to bring SVTA out of the dismal distress which was allowed to fester for years prior by responsible parties that include CTD (Mr. Steve Holmes, Executive Director), the SVTA Board of Directors, (Mr. Ronald Williams, Chairman), ACHA Representative for SVTA's region (Ms. Alana McKay) and the North Central Florida Planning Council's Local Coordinating Board (Ms. Lynn Godfrey).

Mr. Sullivan's team argued that any information regarding the conditions, records, and files of SVTA "is not important to the purposes of this audit and its specific time frame." Consequently, this FDOT IG Draft reports grossly inaccurate information as the basis for what is now being reported in this audit. In order for this audit to reflect accuracy, I (we) stressed to the auditors that they needed to thoroughly understand the reasoning, and results, behind actions, policies and procedures taken by SVTA during this specific time period. I reiterated the importance of fact to Mr. Sullivan and his audit staff, but to no avail. Therefore, so that my response reflects accuracy, I am presenting a very brief sample of what the SVTA Administrator and staff were dealing with. This brief appraisal is vital if this audit is to reflect truth and accuracy behind the facts regarding SVTA's actions.

The following are but a few of conditions at SVTA upon the arrival of Mrs. Pra, Administrator, SVTA:

a) SAFETY

- 1) SVTA's System Safety Program Plan (SSSP) was non-compliant, with an open CAP, and there was no ownership of any realistic safety or security program - a violation of FAC 14-90.
- 2) No pre-trip or post-trip inspections were being done in the fleet.
- 3) The buses were staged in a fragmented fashion on the parking lot unsecured and integrated with POVs.

b) MEDICAID REVENUE

- 1) The agency did not have a realistic budget for management of the funds awarded for any category of transportation service.
- 2) All of SVTA's funding received for Medicaid transportation was being dispensed to the trip vendors within two (2) days - far sooner than the five (5) days authorized by the CTD.
- 3) The Medicaid trip expense incurred for transit service performed by SVTA, as well as all the administrative expense agency-wide, had no reimbursement source, probably in the vicinity of \$1M was simply falling into the red ink column.
- 4) No evidence of attention to trip/route revenues vs. trip/ route expenditures and no tracking of fuel/trip/miles costs which resulted in poor and costly service decisions. Moreover, it made the data reported to the FTA completely rife with error. When we attempted to enter corrected and amended data collected since 7/1/2011, nothing would gel. SVTA then requested and received assistance from FDOT to determine what the agency's actual transportation costs were at that time.

c) CLEANING UP THE INTAKE SCHEDULING PROCESS

- 1) Reservations (at SVTA) done manually although \$42,000 was spent on leased software since 2003 that was never utilized for trip reservations.
- 2) No SVTA management controls over trip requests made to Trip Vendors. The public called the trip vendors and arranged their trips and the vendors faxed the trip sheets to the SVTA who hand-typed manifests and faxed them out. Both the Board and the CTD staff were unaware of this. It took hours and hours, and used approximately 6-8 pieces of paper for each trip scheduled.

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3) The agency had no provision for recycling the almost 1 million sheets of paper used per year in this process. This was a violation of HIPPA, as Medicaid rider's social security and Medicaid numbers were on each trip request sheet. There were no safeguards in place for massive amounts of PII.

4) No Medicaid privacy training was provided to the Vendors, so frequent infractions such as using a rider's name over the FCC airwaves was a common practice both by vendors as well as the SVTA drivers.

d) KEEPING BOARD ENGAGED WITH BUDGET

1) Non-existent.

e) PERSONNEL

1) Extreme staff shortage.

2) No coordination among or between staff as the previous work environment fostered all work decisions very close to the chest.

3) Further, the staff did not receive training related to their positions, nor were they empowered to produce and perform as a team for the betterment of the agency and the public/customers.

4) Personnel Policies and Procedures were in disarray and not updated in over 25 years.

5) No personnel evaluations, job descriptions or any commonly-accepted practices for personnel programs existed.

6) In addition, formalized programs, policies, and procedures for recruitment, hiring, disciplinary, reward and ending time in service were also non-existent.

7) Much of the day to day running of the organization was without an acceptable structure for a public agency.

8) There was no control over the coming and going of the staff, no assurance of 8 hours work for 8 hours pay. One employee was working about 1.5 hours per day, but being paid for 8 hours. One person was paid for over 20 years but never reported to work during that 20 year period.

f) STATE COMMISSION'S BENCHMARK: #1: BRING PAST DUE PAYMENTS TO VENDORS CURRENT

1) Trip Vendors were owed over \$600K.

g) STATE COMMISSION'S BENCHMARK: #2 DRIVERS ARE TRAINED TO STANDARDS

1) Non-existent; evidence exists that SVTA's falsified records in order to indicate to FDOT that SVTA drivers were in compliance.

h) STATE COMMISSION'S BENCHMARK: #3 WRITTEN AND APPROVED CONTACT WITH TRIP VENDORS

1) Non-existent.

i) STATE COMMISSION'S BENCHMARK: #4: FISCALLY SOUND

1) Fiscal responsibility non-existent with documented evidence to show debt of \$1.8M.

j) STATE COMMISSION'S BENCHMARK: #5: RESTRUCTURE REIMBURSEMENT RATES AND ELIMINATE 8% ADMINISTRATIVE FEE

1) 8% fee charged to all subcontractors, plus copay, was charged to vendor to assure fare was paid.

2) Vendors kept all cash contributed on board by riders but did not provide any confirmations.

The above stated conditions is only a small sample of the state of SVTA just before the time frame that Mr. Sullivan and his Audit Team elected to review SVTA - at the request of Mr. Holmes. The report does

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mention excessive overtime at SVTA, but does not address the extreme problems of SVTA property, building and grounds (building code violations too numerous to mention), as well as unsafe conditions and lack of compliance of SVTA's vehicle fleet with state and federal regulations (too much to detail here in this report). During the time period that this audit reviews, Administrator Pra was involved in preventing the agency from collapsing by taking the required steps to fix SVTA. She did this without any assistance of any kind from Mr. Holmes, and the CTD, from Ms. McKay and the ACHA, from Ms. Godfrey and the NCFPC, nor from anyone of the three counties (Suwannee, Columbia, and Hamilton) which owns SVTA.

Despite receiving no help from any one of the parties that was supposed to oversee SVTA, the CTD approved SVTA's plan to achieve the benchmarks, and after conducting an onsite inspection to confirm the benchmarks were met, concurred that SVTA did successfully meet the requirements as set in the CTD's 5 Bench Mark Report - by way of receipt of a formal letter from CTD. SVTA Administrator Pra was awarded a Certificate of Excellence in Leadership from the CTD for her work to achieve the benchmarks and prevent the closure of SVTA.

PART II: Synopsis of Response to the FDOT IG's Audit's three (3) general findings.

FINDING #1: *"SVTA's chart of accounts and general ledger are not maintained in accordance with accounting principles contained in or referenced by the contract terms and conditions"*

RESPONSE TO FINDING #1: **INON-CONCUR with this finding.** SVTA chart and accounts and general ledger are maintained in accordance with generally accepted accounting practices (GAAP), and follows section 7.10 of the TD contract which provides that "The grantee shall establish for the project in conformity with the latest current uniform requirements established by the commission to facilitate the administration of the non-sponsored financing program, either separate accounts to be maintained within its existing accounting system or establish independent accounts. Such non-sponsored financial accounts are referred to herein collectively as project account (SVTA)" SVTA, has consistently maintained independent accounts documentation to fully disclose all costs charged to the project account for the transportation disadvantaged during Administrator Pra's tenure at SVTA, unlike previous years. The two audits completed during Administrator Pra' tenure (and within the time frame of this audit) were done by a highly respected accounting firm Powell & Jones; the same firm that services many of the region's governmental agencies. In their highly expert opinion, SVTA did follow GAAP and did comply with section 7.10 of the TD contract. Finally, the this audit must take note that Administrator Pra received no complaints, concerns, or questions from Mr. Holmes, Executive Director of the CTD, during his several site visits to SVTA, nor did he mention any dissatisfaction during his many conversations with Administrator Pra. Detailed supporting evidence for this response follows in PART III

FINDING #2: *"SVTA failed to properly manage administrative personnel time sheets leave, over time, and compensatory time resulting in an accurate labor and fringe benefit reporting, unsupported accrual of leave, and on allowed leave payments"*

RESPONSE TO FINDING # 2: **WITH EXCEPTION, I NON-CONCUR** with this finding. Contrary to this report's statement that my time sheets were missing, all my time sheets were given the Mr. Sullivan's Team and remain available for the team's review. Also, I did review several of the IG's computations noted in this draft report. In my review, I did find clerical and computation errors by both the IG's team and by SVTA Finance Office. However, the few errors by SVTA are unintentional and can be attributed to the manual process that was used during the time frame in question. The results of these few mis-computations and clerical errors largely resulted in offsetting amounts, leading to no benefit to me financially or otherwise. Consideration must be given to the fact that prior to Administrator Pra's tenure, SVTA had no

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accountability processes, whatsoever, in place when it came to labor and fringe benefit reporting. This forced Administrator Pra to establish proper procedures from scratch in order to bring SVTA out of years of no accountability. Detailed supporting evidence for this response follows in PART III

FINDING #3: "SVTA administrator employed practices, without obtaining board authorization, which resulted in her personal benefit and the benefit of the director of operations. The administrator and director of operations received \$192,813 (\$125,036 and \$67,007 respectively) in on allowed payments beyond their salaries between June 2012 and March 2014."

RESPONSE TO FINDING #3: I NON-CONCUR with this finding. This finding is primarily based upon two (2) faulty and ill-founded premises:

The first defective premise is that the Administrator and Director of Operations, (and SVTA employees in general) were paid for comp time which was not allowed in the set of so called '1983 Rules and Regulation', which this IG Audit Team insists (wrongly) was in place during Administrator Pra's tenure and during the time frame of this audit. This despite the fact that the Audit Team presents no evidence that the so called '1983 rules and regulations' were ever in effect. Sadly, this Audit Team is ignoring the concrete evidence, an audio recording, which clearly proves that during Administrator Pra's tenure, the SVTA Board of Directors did receive, review, and approve the SVTA Personnel Rules and Regulations on 26 March 2014, and it was this set of rules and regulations that was in effect during Administrator Pra's tenure AND in effect during the time frame of this audit. Based on the SVTA Personnel Rules and Regulations that were in effect during Administrator Pra's tenure, (March 26, 2012), authorized compensation, which was duly and justly earned, was paid out to employees ONLY WHEN financial resources allowed and only as mission dictated. This Audit Teams ignores concrete evidence, by way of statements from Chairman of the Board Ronald Williams, which he and the Board authorized "*as much over time as needed*" to fix SVTA and bring it out of its severely distressed and dysfunctional state. He made it clear SVTA was not to close. Therefore, for expediency purposes, that were always only in the best interests of SVTA, and in the interest of saving SVTA from closure, both rank-and-file and management personnel incurred significant comp time / over-time during the 33 months of Administrator Pra's tenure. As financial records clearly indicate, the 'cashing in' of comp time never occurred during the time of SVTA financial distress. Because of mission requirements, comp time could not been taken by the affected employee until late into Administrator's Pra's tenure. Furthermore the use of comp time was only necessary due to the fact that SVTA did not have available cash to pay consultants or skilled staff to carry out this 'rescue project'. Also, SVTA's financial records (as confirmed by the two audits done during Administrator Pra's tenure), SVTA managed itself into a much improved financial position than it was in during the years prior to Administrator Pra's tenure. Specifically, the audits proved that for the past two years ending September 30, 2013, SVTA expenditures averaged \$1.5 million annually less than the prior two years - even while incurring the comp time by SVTA employees. In addition, as the audits done over Administrator Pra's tenure proved, comp time payments did not cause an increase in the usage of TD or other federal and state funds. Lastly, as financial records and the successful transition of SVTA proves, all employees did earn, through hard work and dedication in transforming SVTA, the comp time/overtime awarded. All employees are to be commended for their patience in receiving their justly earned comp time / over time because most personnel did not receive proper compensation for their overtime work until late in Administrator Pra's tenure, which was the time that SVTA could properly compensate employees.

The second defective premise is the FDOT IG Team believe that the Fair Labor Standards Act (FLSA) prohibits exempt employees from receiving compensation for work done beyond the normal 40 work week. The FDOT IG Team fails to understand that FLSA is a minimal standards requirements protection for a certain class of employees – nonexempt employees. Nothing in FLSA prohibits the other class of employees (exempt employees) from receiving compensation for work earned beyond the standard 40

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hour work week. Therefore, in this finding, FLSA is not a factor. I discuss in more detail the supporting evidence for my response to both of these flawed premises by the FDOT IG in PART III of this response.

PART III: POINT BY POINT (PAGE BY PAGE) RESPONSE to the FDOT IG Audit Report

From this point on, I will comment on specific statements in this audit page by page.

PAGE 1

Page 1 of the audit report states its three findings. As stated above, I do not concur with Mr. Sullivan's findings.

PAGES 2 & 3

Pages 2 and 3 are a table of contents for the report for which no response is necessary.

PAGE 4

Page 4 states the basis of audit initiation. Without having access to the reports submitted, I am unable to comment other than to say that being our first submission to the TD, we tried to use previous year's omissions as examples but found prior years submitted simple numbers with no rhyme reason or justification. I recall we sought help from the CTD who provided no help or explanation as to how the previous years' submissions were allowed and accepted by the CTD. More information on this follows further down in this document.

PAGES 5 & 6

Pages 5 and 6 presents a basic background for which no comment is necessary, except to say that though this audit report describes what the CTD and the LCB "should do" on behalf of the program but nothing about how SVTA was allowed SVTA to become, and remain, a totally dysfunctional, out of compliance public agency that fell far short of any semblance of a properly run governmental agency, let alone a state transportation authority.

PAGE 7

Page 7 states information about SVTA's inter-local agreement and SVTA Rules and Regulations. The only comment required here is the report's misinterpretation regarding the Administrator Pra's authority to hire subordinates. The report refers to "Attachment B", which, in part, reads ". . . *With consent from the Board, the transit Administrator Pra may have the authority to employ, assign, promote, transfer, and terminate system personnel.*" For this statement in the audit report's Attachment B, the audit is quoting the Inter-Local Agreement. The audit misquotes as the inter-local agreement states: "The Board shall appoint a Transit Administrator Pra who shall serve at its pleasure, and who shall have the authority, with consent of the board, to employ, assign, promote, transfer, and terminate other system personnel." See Inter-local Agreement, page 4, paragraph 2. Administrator Pra followed this specific point in that when she introduced me to the Board of Directors, they gave their consent by allowing me to stay on for the next 28 months.

As a side note, I find it interesting that this audit does refer to documents, such as this Inter-Local Agreement, when doing so supports their interpretation of a particular finding that they wish to express, but fails to point out other facts when such does not support their end goal. For example, it was paramount to look at the period of time in SVTA's history prior to this audit's specific timeframe. Had they done that, they would have seen that despite this Inter-Local Agreement's requirement that the Board of

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Directors meet quarterly, (See Inter-Local Agreement, page 3, paragraph 4b) for several years, including the year just before this audit's time frame, the Board failed to meet but once a year.

PAGE 8

Page 8 depicts a very simplistic flow chart of SVTA's chain of command. No comments needed except to say that FDOT and the Suwannee River Economic Council have never had representation at SVTA Board meetings during my tenure there. Despite several personal invitations to the FDOT Dist. 2 Administrator P, Mr. James Bennett, SVTA never had even a single visit from him or from his representatives.

PAGE 9

Page 9 devotes two paragraphs to statements regarding SVTA's Personnel Rules and Regulations. Page 9 also refers to Attachment C of this report. There are several comments that I must make regarding this section.

The audit clearly indicates that due to lack of proper documentation, the 2012 SVTA Personnel Rules and Regulations were "not approved" by the Board and therefore this set of rules and regulations were not valid, thus any actions taken by the management of SVTA under the authority of the 2012 SVTA Personnel Rules and Regulations were likewise invalid. The audit report then reverts to depending upon the so called '1983 SVTA Rules and Regulations' as proper authority. According to the Audit Team, if any notable action taken by SVTA (though under the 2012 SVTA Personnel Rules and Regulation) were in conflict with the so called '1983 SVTA Rules and Regulations', Administrator Pra and SVTA committed an 'irregular' if not illegal act. Consequently, many of the points determined to be 'a fault' by SVTA during the period of time for which this audit reviewed, are 'at fault' based on Mr. Sullivan's Audit Team interpretation of the 1983 SVTA Rules and Regulations. The Audit Team renamed the so called 1983 SVTA Personnel Rules and Regulations as the 2014 SVTA Rules and Regulations. This appears to be because, according to the Audit Team, the SVTA Board of Directors reverted back to the so called 1983 SVTA Rules and Regulations as of August, 2014.

The first error by Mr. Sullivan's Audit Team is his inference that the 2012 SVTA Rules and Regulations were NOT approved by the Board. While he may be correct that the 2012 SVTA Rules and Regulations were not approved "BY RESOLUTION" of the Board, the Board did in fact approve the 2012 SVTA Rules and Regulations. This has been proven by the fact that a recording of this, the March 2012 meeting, is available. Therefore, there is absolutely no dispute and the fact remains that the Board did approve the SVTA rules and regulations as written and presented that night in March 2012 despite what Mr. Sullivan's Team wishes anyone to believe.

However, prior to this recording being found, Mr. Sullivan's Audit Team had more than ample evidence showing that the SVTA rules and regulations were approved in March 2012. There is no reason why Mr. Sullivan's Team could not have proceeded using the March 2012 SVTA Rules and Regs as its foundation.

Mr. Sullivan's Audit Team was given a copy of the March 2012 Board Meeting Agenda as well as complete copy of the briefing slides that was presented to the Board of Directors at their March meeting in 2012. These two documents clearly shows what was intended to be discussed at this meeting and what was in fact discussed at this meeting. Furthermore, the minutes from the June 25 meeting clearly state that in fact at the March 26 meeting, Ms. Pra requested approval to note the omission in the minutes for the March 26 meeting regarding approval of the 2012 SVTA personnel rules and regulations. As noted in the minutes from the June meeting, "*. . . Board Member Mrs. Frisina made a motion to accept the (2012) SVTA Personnel Rules and Regulations, with Board Member Mr. Fleming seconding the motion and the board approving the motion.*" (See: Agenda for March meeting; slide presentation; Minutes for June 25th meeting.)

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Further, I can attest to the fact that immediately following the meeting that evening, Mr. Williams, Chairman of the Board, did affix his signature on the designated line on page 1 of the newly adopted 2012 SVTA Rules and Regulations.

While I am not aware of any state law that says every action by Administrator Pra requires “a resolution” by the public agency’s Board of Directors, instead of a simple ‘approval by simply voting’, as was done in this case. I will agree that on first page of the SVTA Rules and Regulations, the wording “Adopted by Resolution” of the Suwannee Valley Transit Authority Board of Directors should read “Adopted by Board Approval”. However, I see this as simple semantics. The fact is the SVTA Board of Directors did, by a motion presented by Board Member Frisina, seconded by Board Member Fleming, the Board did approve the adoption of the 2012 SVTA rules and regulations as requested by the Administrator Pra, upon the conclusion of my presentation to the Board. For Mr. Sullivan’s Audit Team to say that the 2012 SVTA rules and regulations were not valid as the agency’s authoritative document is simply incorrect. The preponderance of the evidence clearly shows that the 2012 SVTA Personnel Rules and Regulations, was the document in force during the period time covered by Mr. Sullivan’s audit. Of course the recording is the absolute proof.

If Mr. Sullivan disagrees with the facts as presented and wishes to insist that the so called 1983 rules were in place, then Mr. Sullivan needs to provide evidence to show that the 1983 rules were approved by the Board of Directors. Mr. Sullivan fails to give one shred of evidence that the 1983 rules were in fact approved by resolution just as he insists on having for the 2012 SVTA rules. As I have found throughout this audit, Mr. Sullivan and his Audit Team appears to be selective regarding when to use certain evidence and when to simply ignore specific evidence.

Also regarding this issue, while the SVTA Board of Directors may have the authority to adopt any rules and regulations they wish, they cannot adopt a set of rules and then backdate those rules to find fault in actions taken by Administrator Pra and SVTA management.

The bottom line regarding this finding by the Audit Team points to an appearance that the goal and intent of the IG is not to find fact. Documentation was provided to Mr. Sullivan’s Audit Team as facts which lends to a ‘preponderance of evidence’ showing that the Board did approve the current SVTA rules and regulations at their March, 2012 meeting. This evidence was ignored by Mr. Sullivan’s Audit Team’s zeal to conduct what appears to be a smear campaign against SVTA and its Administrator. Now that a recording has been located, which proves beyond any doubt that the Board did approve the March, 2012 SVTA Rules and Regulations, Mr. Sullivan’s IG team has an immediate duty to reevaluate this entire audit and use the March 2012 SVTA Rules and Regulations as the basis for SVTA’s actions, and then release a corrected draft.

Lastly, please recall my introduction at the beginning when I stated that this audit should have looked at the history prior to the time frame of this audit. Had Mr. Sullivan’s Audit Team done so, this team would have found that there was no known set of rules and regulations - as a whole - when I first arrived at SVTA in December, 2011. The first priority upon my arrival was to develop a basic set of personnel rules and regulations since none were known to exist. I found pieces of what appeared to be some sort of rules and regulations in various manila folders located in drawers throughout the agency. I did use what I found as a guide as I created what I believe was SVTA’s first formal and complete set of rules and regulations. I understand that after my departure someone did find an old copy of the rules and regulations. You can now see how, based on knowledge and experience with creating personnel rules and regulations, I updated the scraps that I found to what was later approved by the Board in March 2012.

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PAGES 9 & 10

The bottom of page 9 and part of page 10 detail funding programs, briefly stating the funding programs of the CTD to SVTA. I have no comment on this section.

PAGES 11 & 12

Page 11 and Page 12 detail the findings of this audit report. The first finding is "Non-Compliance with required Accounting Principles. These pages quote specific rules relating to "Chart of Financial Accounts." The only comment to make here is to quote TD program Rule 41-2.007(7) as this audit report does. Specifically the statement, "...Community Transportation coordinators with existing and equivalent accounting systems will not be required to adopt this chart of accounts but will be required to prepare all reports and voices and fiscal documents relating to the transportation disadvantaged." This statement is important because while we may not have used the CTD's Program Chart of Accounts, we did use Generally Accepted Accounting Procedures (GAAP) in our daily fiscal operations. The financial audits done by Powell and Jones, certified and accepted auditors by the State of Florida, clearly states that SVTA did maintain fiscal operations and responsibilities in accordance with GAAP. (See SVTA Audits for FY12-13 and FY 13-14 specifically page 30, para 10.01 of the report dated 30 Sept 2013)

Once again I must reiterate how this audit refused to acknowledge the history prior to this audit's time frame. Administrator Pra, upon her arrival, tried to engage an accounting system that the CTD had accepted for many years prior. Mr. Holmes, when he first met with the Administrator Pra made no mention whatsoever that he was displeased with how the prior administration submitted required reports. Furthermore, because SVTA had absolutely no financial records that one would expect to find (at least at any halfway decent run financial operation), Administrator Pra had to begin practically from scratch. Once again Mr. Holmes and his CTD failed in its duty to notify and assist the Administrator Pra in preparing "Chart of Accounts" reports if in fact he was unhappy with our submission.

To present an accurate picture of this finding, as stated by this audit, Mr. Sullivan's Audit Team should have reviewed the financial audits presented to and accepted by the state prior to the Administrator Pra arrival and the financial audit reports done during her tenure at SVTA

PAGE 13

Page 13 list specific findings under Finding # 1 Noncompliance with Required Accounting Principles.

Paragraph A states: SVTA's chart of accounts is not maintained in accordance with federal regulations and rule 41 – 2.007 (7) F. A.C. and does not adhere to the matching principle as required by generally accepted accounting principles. While I will defer this question the SVTA Financial Specialists for a more detailed explanation, I NON CONCUR with the statement. The FACT IS that according to Powell & Jones, a reputable, well received audit firm, used by many governmental agencies in SVTA's area of operation, SVTA DID PERFORM ALL FINANCIAL ACTIONS, FUNCTIONS AND REPORTING in accordance with GAAP. (Again, see page 30, para 10.01 of the SVTA audit report dated 30 Sept 2013)

Paragraph B states: SVTA has not developed a cost allocation methodology to allocate indirect expenditures to Medicaid, TD funding, 5311 funding and other funding sources. . . on an equitable basis consistent with generally accepted accounting principles. Again I will defer this question to the SVTA financial specialists for a more detailed explanation however I NOON-CONCUR with the statement based on the reasoning as stated in response to paragraph A above. Once again, the Audit Team should review the SVTA financial audits for the time during Ms. Pra's tenure and the audits done for several years prior to Mrs. Pra's tenure. I refer Mr. Sullivan and his team to the audit report dated 30 Sept, 2013 (well within the time frame of this audit) where it states that SVTA followed GAAP. (Once more, see page 39, para 10.01 of the SVTA audit report dated 30 Sept).

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Mr. Sullivan's team makes two (2) recommendations which are simply not necessary because within a few months of her arrival, and finding irregularities in past practices, Administrator Pra had already taken all steps that this report recommends - which is why SVTA had two outstanding financial audits, as reported by Powell & Jones who did the two audits done during Administrator Pra's tenure.

Again what Mr. Sullivan's Audit Team fails to recognize, and refuses to report, is the disastrous financial functions allowed by Mr. Holmes' office, by Ms. Godfry, and her LCB, and by Alana McKay and her Medicaid office. This audit report fails to answer the question "where were these oversight agencies which allowed SVTA to spiral to the disaster that it was in prior to Ms. Pra's arrival forcing Administrator Pra to take such drastic actions as was required?". This report fails to acknowledge that through Administrator Pra's tenure, she fixed SVTA, single-handedly mind you, to the point where the last two audits found SVTA to be a well-managed, well-functioning, and a financially sound Transportation Authority - again no thanks to those who held oversight over SVTA.

PAGE 14

Page 14 begins to address Finding # 2 – "Insufficient Time and Attendance Reporting." On this page Mr. Sullivan's Audit Team has determined that SVTA failed to properly manage administrative personnel time sheets, leave, over time and compensation time, resulting in an accurate labor and fringe benefit reporting, unsupported accrual of leave, and on allowed leave payments.

While this team judgmentally selected a sample of twelve (12) SVTA employees, this page basically summarizes the inconsistencies in the reported 'time and attendance data' for Administrator Pra and myself. I will respond to the specifics that deal with me and defer to the Administrator Pra to respond to the data referencing her records. I will also defer to the financial specialists that dealt with the time and attendance records. However, as I was their supervisor, I will make specific comments.

To start, I NON-CONCUR with the IG statement that 'SVTA failed to properly manage administrative personnel time sheets, leave, over time and compensatory time, resulting in inaccurate award of fringe benefit reporting and unsupported accrual of leave and un-allowed leave payments'. I will reply to specifics later on pages 56-58 and 92.

Page 14 of this report, presents Table #3 which shows 11 irregularities and then shows how many time each irregularity occurred. The specifics of each irregularity is discussed further in the report, but for this Table, I will state that the many, if not most, in the column regarding my data, is just INCORRECT:

1. Missing original timesheets. There are no missing timesheet. Mr. Sullivan's team was handed the time sheet binders as kept by Ms. Foster, Finance Specialist at SVTA. Ms. Foster is meticulous in her records keeping as noted in the audit and from the many inspections done on the SVTA Finance Office. Unfortunately, when Mr. Sullivan's team first arrived at SVTA and began to look over the SVTA time sheet binders, they tore the binder apart, removing, and tossing pages. When they finished with the documents, instead of replacing the sheet back in the proper place in the binders, they tossed the binders and loose sheets into a bin. When Mr. Sullivan's team came back the second time, they apparently could not remember where they left the timesheets, thus, instead of searching the bin in which they last placed the timesheets, they decided to simply say that the time sheets were missing. Ms. Foster, in taking the mess left by Mr. Sullivan's team final visit, re-organized all the sheets and rebuilt the SVTA binders, finding all the timesheets that Mr. Sullivan's team misplaced. So the "FACT" of this matter is that the so called 19 missing time sheets are NOT missing and now are back in the binder and available. Should Mr. Sullivan's team need to review the time sheet, then they may do so as the time sheets are with Ms. Foster. I would ask that the next time Mr. Sullivan's team handles SVTA documents and binders, that they show some respect when handles SVTA records, and respect the hard work that Ms. Foster did in

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building and keeping the SVTA time sheet binders and not just trash the binders, leaving them for Ms. Foster to rebuild for a third time.

This appears to be just one more example of how Mr. Sullivan's Audit Team appears to have engaged in a preset agenda, aimed only to prove that agenda no matter what. Had Mr. Sullivan's team come to the Finance office when they first came upon this question, that they could not find the time sheets, SVTA could have simply reprinted the timesheets from the time clock. But instead of that one simple action, they preferred to claim the time sheets were missing. It is very sad for an IG to make such false claims when such a request could have been filled easily and quickly. Again, if the Audit Team could not find a specific time sheet, all they needed to do was ask and one could have been printed out immediately.

2. The other discrepancies noted by the Audit Team on Table #3 will be discussed later in the document when referring to pages 56 - 58.

PAGE 15

Page 15 shows Table #4 which is a sampling of employee's compensation time exceptions. I defer comments regarding this table and how the compensation time was figured out to the SVTA Financial Specialists.

Page 15 also has comments from Mr. Sullivan's Audit Team which are incorrect.

First the statement: *"There is no evidence that the Administrator Pra presented this policy for review or approval by the Board"* is just plain INCORRECT. I have already presented concrete evidence which proves that the Board DID APPROVE this policy at their March 26 board meeting. Further Mr. Sullivan's Audit Team makes a simple statement that *"The Administrator Pra and Director of Operations did not manage their time and attendance consistent with this policy"*, however, Mr. Sullivan's Audit Team provides no evidence or examples to support this statement. With no example as to how I supposedly did not follow policy, I cannot counter Mr. Sullivan's Audit Team's statement, other than to say that I did followed policy. I will add here that if, at any time, any employee 'forgot' to clock in or out, (and that did happen, especially when we first installed the time clock) the employee's time sheet was properly annotated and the time on the time sheet was properly adjusted to correct the simple error. [NOTE: Remember there was no such device here at SVTA prior to May 2012. As anyone can understand, any new action, such now having to remember to clock in or out, does take time to get use to – especially when for years and years before, this was not the practice. Once again, my earlier comments regarding Mr. Sullivan's failures in looking at the history of SVTA applies!]

On Administrator Pra's action regarding *"not manag(ing) (her) and attendance consistent with this policy"* once again Mr. Sullivan's Audit Team does not provide any evidence or example as to how the Administrator Pra did not follow this policy. Again I will defer to the Administrator Pra to respond however let me say that the Administrator Pra did follow recommendations that were provided to her which was that as the Administrator, she should not clock in and or out on the time clock as done by staff. Administrator Pra thus kept her time and attendance data separately. Had Mr. Sullivan's Audit Team contacted us during his review regarding this question, he would have been given the explanation and this unsupported and unsubstantiated statement could have been avoided.

PAGE 16

Page 16 provides a conclusion that SVTA lacked general consistency and uniformity in reporting time and attendance. Of course the above evidence presented here disputes the statement.

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Once again, another recommendation by Mr. Sullivan's Audit Team proves to be unneeded as SVTA's policy and procedure which was followed, allows for a general consistency and uniformity and reporting the employee time and attendance as once again verified by the financial audits done by Powell & Jones which as stated were accepted by the state.

PAGE 17

Page 17 opens with Finding 3 - Compensatory Leave Payouts. This page specifically states: *"The Administrator Pra employed practices, without obtaining board authorization, which resulted in her personal benefit and the benefit of the Director of Operations."*

I NON CONCUR with the statement and will explain why I non-concur further down in this document. But first I must comment on Mr. Sullivan's Audit Team's constant use of the phrase "without obtaining Board authorization".

First, the irrefutable evidence does show that on 26 March 2012, the Board approved the SVTA Personnel Rules and Regulations, as presented to them that evening. (See the Board agenda and the briefing slides presented that evening and now the recording of said meeting.) I have already presented evidence to this fact.

Secondly, Mr. Sullivan's Audit Teams appears to believe that the Board must approve each and every action before Administrator Pra acts. With that reasoning, no organization would need an Administrator, but rather, put the day-to-day operations in the hands of the Board of Directors. This idea is simply ludicrous. As the Board members stated several times in their meetings, they acknowledged the need to separate general administrative policies from day to day operational policies and procedures; they continually acknowledged the difference and stated that they had no desire to 'micro manage'. The general administrative policies for SVTA was approved by the Board in March 2012 in what is called the SVTA Personnel Rules and Regulations.

We have beaten that horse to death and the fact remains, SVTA Board of Directors DID approve the full set of SVTA Policy and Procedures that SVTA followed up until Aug 2014. Relating to any other so called rules and regs is invalid. Mr. Sullivan and his team can state all it wants that SVTA acted without obtaining Board authorization, but their saying so does NOT make it true. Administrator Pra followed EXACTLY as the "approved" SVTA Rules and Regs authorized. So this false generalization as stated in FINDINGS #3 IS WRONG AND NEEDS TO BE REMOVED AS A FINDING.

On Page 17, Mr. Sullivan and his Audit Team states that ". . . Gwen Pra', and William Steele received \$192,813 in on unallowable and miscalculated leave and compensatory payouts beyond their SVTA fixed annual salaries". To support this statement they refer to the Executive Exemption of the Fair Labor Standards Act (FLSA). On top of that, they refer to a federal case "Garcia v. San Antonio Metropolitan Transit Authority".

What is sad is how Mr. Sullivan and his Audit Team can take one small piece of information from the FLSA, and construe that bit information to fit their apparent goal of impugning the Administrator Pra and SVTA. Furthermore, as stated numerous time now, Mr. Sullivan fails to report on SVTA's state prior to Ms. Pra's tenure. He fails to say in this report that prior to Ms. Pra's tenure, SVTA had not only no policy what so ever in place that addressed FLSA and FLSA requirements, but prior to 2012, overtime was a routine and accepted practice FOR ALL PERSONNEL, management and rank & file alike. Mr. Sullivan's Team was fully informed about this fact, but, once again, he fails to mentions anything that was 'common place' prior to Ms. Pra's tenure, like the fact that overtime for all personnel was common at SVTA prior to 2012.

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To understand the FLSA one needs to understand the entire act and not just one small chart from the FLSA fact sheet which Mr. Sullivan and his team bases their faulty opinion. Without going into great detail on the FLSA, a few important points must be identified in order to fully understand SVTA's actions in this.

Point 1: The FLSA was put in place by the federal government to ensure that all employees were not unfairly treated by the employer when it came to the employee working more than 40 hours a week.

Point 2. All employees of any private or government entity over a certain size "are entitled" to overtime pay when working more than 40 hours a week and thus FLSA is in place as a "protection" for the employee. This class employee is identified as "Non-Exempted", meaning that the employer can not exempt these employees from the protection of the FLSA.

Point 3: Certain employees, WHO ARE NOT PROTECTED by the FLSA, are identified as "Exempt", which simply means that this employee is NOT ENTITLED TO THE PROTECTION OF THE FLSA.

Point 4: Since the FLSA is designed to protect the employees, the employer must go through a litany of conditions before that employer can exempt any employee from the FLSA.

Point 5: Most important is that the FLSA is a minimum standards regulation meaning that an employer may go above and beyond the FLSA requirements; the employer just cannot do less than required by the FLSA.

This is where Mr. Sullivan and his Audit Team are in grave error. Because Mr. Sullivan believes that SVTA management personnel are "EXEMPT" (and by definition, SVTA Management personnel are in the "Exempt" category) then SVTA Management Personnel are NOT ENTITLED, THUS NOT ELEGIBLE FOR OVERTIME PAY of any kind. This interpretation is completely erroneous and is not substantiated anywhere in the FLSA requirements. The only thing that being "exempt" means, is that SVTA management personnel are NOT protected by FLSA – they are 'exempt' from the protections of FLSA. Put another way, all "EXEMPT" means is that a management employee who believes he is not getting just compensation for the overtime hours he puts in, cannot seek correction or protection under FLSA.

Mr. Sullivan's Team, in what appears to be an attempt to once again justify a goal to smear and vilify SVTA, no matter what the means, simply ignores the rest of FLSA's provisions regarding overtime for exempt personnel. While Mr. Sullivan, in his report, touts "Fact Sheet #17A" as his substantiation for his finding that I received 'unallowable' compensation because I am an "Exempt" employee, he fails to put in his report the parts of "Fact Sheet 17A" that states:

"The Fair Labor Standards Act provides minimum standards that may be exceeded, but cannot be waived or reduced. Employers must comply, for example, with any Federal, State or municipal laws, regulations or ordinances establishing a higher minimum wage or lower maximum workweek than those established under the Act. Similarly, employers, on their own initiative or under a collective bargaining agreement with a labor union, are not precluded by the Act from providing a wage higher than the statutory minimum, a shorter workweek than the statutory maximum, or a higher overtime premium (double time, for example) than provided by the Act. While collective bargaining agreements cannot waive or reduce the Act's protections, nothing in the Act or the regulations in this part relieves employers from their contractual obligations under collective bargaining agreements.. (Sec 29CFR541., See Fact Sheet#17A, page 2 paragraph 3 "Other Laws & Collective Bargaining Agreements")

Further, Mr. Sullivan's team completely ignores the part of the Section 541.604 of the FLSA that states: *"Similarly, the exemption is not lost if an exempt employee who is guaranteed at least \$455 each week paid on a salary basis also receives additional compensation based on hours worked for work beyond the*

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normal workweek. Such additional compensation may be paid on any basis (e.g., flat sum, bonus payment, straight-time hourly amount, time and one-half or any other basis), and may include paid time off."

In other words just because FLSA 'protections' do not apply to "exempt employees", does not mean that under FLSA, employers are forbidden from offering to 'exempt employees,' over time, shorter work weeks or anything that applies to "non-exempt" employees.

Also on page 17, Mr. Sullivan uses a federal case of Garcia v San Antonio Metro Transit Authority to further substantiate his claim that I was given "unallowable compensation". Apparently Mr. Sullivan and his team did not look at this case but just put it down as further fodder to support their wrong interpretation of FLSA. This is a summary of Garcia v. San Antonio:

The San Antonio Metropolitan Transit Authority (SAMTA) the main provider for transportation San Antonio claimed it was exempt from minimum wage and overtime requirements of the fair labor standards act. The SAMTA claimed it was exempt from the minimum wage and overtime requirements of the FLSA. SMTA argued that it was providing a traditional governmental function which exempted from federal controls according to the doctrine of federalism established in the National League of cities case. The question for this case ended up being "Did principles of federalism make SAMTA immune from Fair Labor Standards Act. In a 5 to 4 decision the court upheld the principles of federalism established in the National League of cities case but was unworkable and that SAMTA was subject to congressional legislation under the commerce clause. In short then the court found that Santa was subject to the FLSA.

The conclusion regarding Mr. Sullivan's apparent understanding that FLSA forbids SVTA "exempt" employees from legally receiving authorized overtime compensation is just WRONG. FLSA has no bearing, whatsoever as to whether management personnel of any agency may or may not get over time or compensation time or any other package that the employer wishes to provide. All FLSA means, as it related to SVTA (to all employers), is that for "non-exempt" employees, there is a minimum standard that the employer must abide by when it comes to pay, over time and work hours. FLSA also allows that if the employer can meet a stringent list of requirements to prove that an employee is 'exempt' from FLSA, then that employer may classify an employee as "Exempt". Again, all that means is that the "Exempt" employee is NOT under the protection of FLSA. (See SVTA's folder on FLSA which has Fact Sheet#17 and a set of training slides for implementing FLSA. These are the two documents, with guidance from the federal office in Jacksonville (the agent's contact info in the file) that SVTA used to initiate compliance to FLSA, which, as noted above, was not in place or practice prior Ms. Pra's tenure at SVTA.)

To review, Mr. Sullivan's finding that "from June 30, 2012-March 7, 2014, Gwendolyn Pra and William Steels received \$192,813 in 'UNALLOWABLE; leave and compensatory payouts beyond their SVTA fixed annual salaries IS CLEARLY WRONG because:

- 1: FLSA does NOT prevent exempt employees from receiving overtime for hours worked beyond the standard work week; and
- 2: FLSA does allow an employer to keep an employee in the exempt category even if compensation exceeds the employees base salary; and
- 3: SVTA rules and regulations approved by the Board in March 2012 (evidence proving this fact already presented as stated above) does allow for compensation for work performed beyond the normal workweek; and
- 4: Statements by Board Chairman Williams that authorized SVTA to take as much overtime required in order to bring SVTA out of its disasters state in which SVTA was allowed to sink prior to Ms. Pra tenure, is public knowledge and is clearly evidenced already by public record..

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As far as Mr. Sullivan's point that some leave and compensatory payouts were miscalculated, I will discuss these errors which are detailed when referring to page 57 and 58 of the IG's report.

PAGE 18

Page 18 starts with Mr. Sullivan's reference to the so called '1983 rules' which we have already proved as not being valid. If Mr. Sullivan's team wishes to insist that the '1983 rules' are valid, then he needs to show what resolution the SVTA Board passed and when the Board passed this resolution - prior to Mrs. Pra's tenure and prior to the Board approval of the March 26 SVTA rules and regulations.

Page 18. More interpretation by Mr. Sullivan's team regarding FLSA rules which he appears to misinterpret. I have already addressed these erroneous interpretations as noted above.

PAGE 19

Page 19. Mr. Sullivan's 'understanding' of SVTA Comp Time Accrual Calculation. No comment needed other than to say that Mr. Sullivan's Team would have been wise to consult with SVTA personnel first before make such comments.

PAGE 20

Page 20. This page of the report has three issues:

Issue 1: August 15 Ms. Pra addresses the Board regarding overtime. No response needed.

Issue 2: The August 9 letter regarding exception to policy. The Administrator Pra's intent was to reduce overtime for both exempt and nonexempt personnel. Unfortunately, the day-to-day operations and the continuing efforts to transform SVTA from its prior to 2011 status, required extreme amount of overtime by all employees. Because the Administrator Pra foresaw this problem upon her arrival, a paragraph was added into the new rules and regulations (the March 2012 regulations) which addressed a 'possible' avenue which could be taken if compensation time was earned but mission requirements would not allow the compensation time to be taken. I was very careful when I wrote this paragraph to say that the Administrator Pra "MAY BE REQUESTED" authorize comp time to be cashed in. Thus the wording for this concern:

Exempted Personnel –

- a) In general, employees considered as supervisors or professional personnel (Exempt) will not be authorized "over-time pay", except as allowed in Section 6.4 D or authorized by Administrator Pra. As deemed appropriate by the Administrator Pra, Exempted Personnel MAY request to 'cash in' amounts of overtime if mission and/or work requirements dictate and do not allow the use of compensation time to be used in a timely manner.

(Again beating a dead horse - the true SVTA policy in place was the March 2012 approved policies and not the so called '1983 policies' for which there is no evidence that such policies even existed, let alone being authoritative during the time frame of this audit.)

In August 2012 it became apparent that before the end of the fiscal year, employees would not be able to use their comp time, by no fault of their own. Therefore, even though the policy stated exempt personnel may cash in comp time, I requested an exemption to policy that "all personnel" cash in so much comp time in order to reduce that bank before the end of the fiscal year. I made it clear it was a one-time exception for such a broad usage of cashing in comp time. This one time exception did not alter this policy and that an individual employees still may request to 'cash in' because of mission requirements. This one-time exception did not require any special Board approval as approval was already given by the current SVTA rules and regulations.

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Finally, regarding this 'cash in': This action was taken at this time ONLY because SVTA, back then, had a positive cash flow (meaning that SVTA reversed itself and got out of the million dollar debt that had built up prior to Ms. Pra's tenure at SVTA). Allowing this 'cash out' did not harm SVTA financially in anyway and did benefit both SVTA and the employee for obvious reasons. However, once again Mr. Sullivan's team misinterprets basic facts in order to advance what appears to be an obviously specific goal, in a pre-set agenda

Issue 3. The September 24th memorandum regarding requested approval to change pay periods. Since the 'work week' was an "administrative policy", and not related to "day-to-day operational policy", Administrator Pra rightly presented this request to the Board. The Board heard the proposal but voted not to support the change, therefore the change was not implemented

PAGES 21 - 28

Pages 21 thru 28 relate to Mr. Sullivan's issues regarding Mrs. Pra's leave and compensation. No comments necessary by me here. I defer comment to the appropriate respondent.

PAGE 29

Page 29. Mr. Sullivan's team indicates two (2) issues.

Issue #1: No position description for position of director of operations. Upon my arrival in December 2011, I noted there were no position descriptions for any position at SVTA. In fact there was no personnel policy or procedures of any kind in place at SVTA. That was one of the many problems that confronted Administrator Pra upon her arrival at SVTA. Mr. Sullivan's team ignores this fact, which, once again, is why it was not only important, but incumbent upon Mr. Sullivan's team to give a brief synopsis of the state of SVTA prior to the dates covered by this IG audit.

Issue #2: The issues of my compensation and allowable leave will be discussed in detail when I respond to the IG's issues referred to on page 57 and 58 of the IG's report.

PAGE 30

Page 30: Mr. Sullivan's teams provides a graph breaking down the various components of compensation between 30 June 12 and 07 March 14 for a total of 21 months. I do not have firsthand access to my time sheets or pay stubs for that period, but for argument sake, I will take the numbers reported at face value. (Despite the numerous errors and misinterpretations already verified, I do NOT concur with Mr. Sullivan's figures, but I do not have the access to all records to contradict his figures.) So I will respond with the following until I am allowed full access.

Regarding the base salary as shown, no defense needs to be presented. My education and expertise is well deserving of the base salary earned. However, for information sake, I will add that (1) the salary is low for a comparable highly skilled managers that have a graduate degree and 30+ years' upper management experience, and (2) salary is below that of Director / Manager of Operations for transit authorities of similar size and scope as SVTA. In 2012, a study was done by me regarding "pay parity" with agencies similar to SVTA. (This study considered Florida agencies that matched SVTA on four points plus included the agencies surrounding SVTA's region even if they did not match the 4 points. This study included six (6) agencies that match SVTA. All six of these agencies (Polk Co., Manatee Co., Pasco Co., Tallahassee Region (Gadsden, Jefferson, Madison & Taylor), Citrus Co and Charlotte Co had 'max salary scale' higher than SVTA. The median salary for these six (median between max end of the salary scale v, min end of the salary scale) was \$88,000 for the position of Operations Manager. (Tallahassee region salary was not used in the median figure because the high end scale was the actual salary of their director who had a special situation that will not repeat itself after that person retires – in accordance with (IAW)

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info from that agency representative with whom I spoke) The fact is, the base salary that I received was below the median of the six similarly situated agencies that were considered in the study.

Regarding the administrative comp time issue, again, no defense is required. My comp time was authorized, and the work product that earned this comp time is obvious. I fully EARNED every hour of comp time awarded.

PAGE 31

Page 31. Here, Mr. Sullivan summarizes his finding by saying that Administrator Pra and I employed practices that resulted in payments which do not comport with the guidelines of the FLSA, and disregarded the Board 'approved 1983 rules' Of course both statements are gross mischaracterization of the facts. As stated above, the FLSA has no provision that make it illegal for management employees (exempt) to receive compensation for hours worked above and beyond the normal work week. Evidence exists that clearly shows the extensive amount of hours that I worked - worked beyond the normal work week. Compensation is not only due but it is justly due for work performed on behalf of SVTA. Furthermore, Mr. Sullivan says Administrator Pra disregarded the provisions of the Board 'approved 1983 rules and regulations' but as stated above, many times, these rules and regulations were not in place and Mr. Sullivan provides no evidence that these rules and regulations were in place. I will just repeat myself again: Mr. Sullivan and his team appears to have decided to set a goal on a preset agenda and aims to reach that goal no matter how and no matter what, even if it disregards the truth or facts, as it clearly does here.

Mr. Sullivan recommendation on this page is clearly out of line and inappropriate, because of his failures to understand FLSA and accept the March 2012 Board approved SVTA rules and regulations.

PAGE 32

Page 32 details an observation regarding SVTA's general ledger. Mr. Sullivan's team states that financial managers were unable to explain year-to-year fluctuations between FYE 12 and FYE 13. While the finance managers are the best ones to respond, I will once again state that prior to 2011 SVTA had no budget program in place. It is quite obvious, and reasonably acceptable, that an accurate budget could not be put in place and perfected overnight. As Ms. Pra indicated to the Board many times, it would take up to three years to fix SVTA. During that time, a budget and ledger was put in place and adjusted accordingly - as needed. But again, Mr. Sullivan's Team elected not to report on the state of SVTA prior to 2011, nor did he report how that impacted SVTA's operations, especially financial operation and records, over the next three years - including the time frame for this audit. What is important however is the fact that SVTA got out of its debt and passed both financial audits done during the Administrator Pra's tenure, and was informed that SVTA was in fact using Generally Accepted Accounting Practices (GAAP) in its financial practices and procedures. (See audit reports done by Powel and Jones for FY 12 and FY 13, specifically the Powell & Jones Audit dated 30 Sept 2013, page 39, paragraph 10.01) Furthermore, there was absolutely no help or assistance from agencies that had the responsibility to oversee SVTA. Perhaps if these agencies had done their job prior to Ms. Pra's tenure, SVTA would have been an agency that did not need such drastic transformation, which in turn would not have required the extreme amount of overtime work that it did to bring SVTA up to standards. Remember that the CTD accepted SVTA's financial reports and at no time presented to SVTA any concerns.

PAGE 33

Page 33. On this page Mr. Sullivan presents Observation #2 Cash Receipts, noting that SVTA did not require subcontracted drivers to provide receipts to TD riders for copayments. I cannot tell you how hard Administrator Pra tried to get subcontracted drivers to comply with standards and rules. She was thwarted at every step of the way by the CTD (Mr. Holmes' and his staff), by the Chairman of the Board

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(Mr. Ron Williams) and the Local Coordinating Board (Ms. Lynn Godfrey). For those three, the only thing that mattered was to make sure the subcontractors were paid on time no matter what - to include SVTA foregoing paying its bills and being directed to allow the subcontractors to NOT comply with SSPP and other policy and regulations. Ms. Pra can better explain the extremely difficult time she had in getting assistance in dealing with the subcontracted vendors.

PAGE 34

Page 34: This page opens with the observations regarding the hiring practices, but focuses on only one hiring action – the hiring of Bill Steele. Mr. Sullivan's Team then states that SVTA has no procedures in place for hiring, including an application or reference background check. Both issues demand a response.

First, SVTA had no hiring policies or procedures in place upon Mrs. Pra's arrival. Therefore, she had no policy for guidance in hiring anyone. However, when it came to her consideration of hiring me, she and I spent at least 30+ hours discussing all scenarios likely to surface if she hired me. After all due diligence and consideration, she determined there was no reason not to hire me. The following is the process Administrator Pra took before she issued the invitation to me to join her at SVTA. Again, remember that at that time, SVTA had NO personnel policies or procedures, including any hiring procedure, in place. (Once again, Mr. Sullivan's Team ignores important facts regarding SVTA prior to Aug 2011 that impacted her decision making processes for SVTA over the time frame of this audit.)

FACTS: When hired, Administrator Pra was given no indication that SVTA was in such a crisis. Within her first few days, she learned just how severely distressed SVTA allowed to become. This was shared with the Board Members. She was given the task to fix this agency, but given NO resources in which to fix it. She quickly learned that this agency did not have on staff, anyone who had the skills, knowledge, or expertise to fix this agency. Over the next few weeks, she learned that if she were to meet the mandate by the Board, she had to: 1) get help and 2) realize fixing this agency would take several years – putting in weekends & involving extremely long hours each day.

Need for an OPERATIONS DIRECTOR: Due to the current state of SVTA, she had no alternative but to seek out and find an individual who was knowledgeable, experienced, and proven in the area of Operations. Further, she needed someone who was, without question, loyal. She had to bring an expert in quickly, but realized that she could not do this due to the fact that the agency was severely in debt and had no funds available to hire an experienced Operations Director. She looked over the resumes of those who also applied for the position of Administrator. By their resumes, she found them to be unqualified – as the Board apparently did, since they were not hired. She had many contacts that she called upon seeking a qualified Operations Director who was skilled in fixing broken agencies and in whom she could trust implicitly. Realizing the median wage for Operations Manager/Directors in other CTCs, she had to find an expert who would work for the wages that SVTA could afford. Understanding that she would not be able to get a qualified Operations Manager for what little salary she could give, she continued to push on with her plans and programs to fix SVTA.

For the next ninety days or so, she worked 14-18hour days STRAIGHT with no break and still finding more and more problems. In that 90 day period, only more severe problems caused by the past administration surfaced. She found the situation here at SVTA was so utterly desperate, she had only two choices: 1) recommend to the Board that the agency be closed and employees let go OR 2) she get proper qualified personnel, starting with an Operations Director at SVTA immediately. She then decided to call the one individual she knew that had: 1) had extensive training in the full scope of operations in a government organization; AND 2) had massive and board based experience and past success in fixing distressed units; AND 3) had proven success in dealing with long term high stress situations; AND 4) was loyal, dependable and could step right into this mess and take charge; AND 5) was available and would work for what SVTA

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could afford to pay at that time. She wanted to bring in Mr. Bill Steele who she knew was, without question, the perfect match to fit exactly into her plans to fix this agency and what she needed help with to accomplish the task at hand.

Mr. Pra contacted me as to what she was considering. She and I sat down for many hours and discussed my background, especially my military difficulty. We researched Florida law and policy to see if my difficulties prevented Ms. Pra from hiring me. We studied Florida Statute Title X, Chpt 112, Section 112.011: *"Except as provided in s. 775.16, a person shall not be disqualified from employment by the state, any of its agencies or political subdivisions, or any municipality solely because of a prior conviction for a crime. However, a person may be denied employment by the state, any of its agencies or political subdivisions, or any municipality by reason of the prior conviction for a crime if the crime was a felony or first degree misdemeanor and directly related to the position of employment sought."*

We also studied section 775.16 to make sure that my UCMJ violations were NOT listed, or apart of 775.16. Of course they were not listed. My UCMJ violations were just UMCJ code violations.

We then check a regular FDOT application and noted this clause listed on the application: *"Note: a "yes" answer to these questions will not automatically bar you from employment. The nature, job-relatedness, severity, and date of the offense in relation to the position for which you are applying are considered [see §112.011]"*

Clearly, based on my military issues not being listed in Section 775.16, I am NOT barred from employment in Florida government. However, we went one step further. We studied the Florida's "Affidavit of Good Moral Character" and the DFCS's version of the "Affidavit of Good Moral Character" (See SVTA's In-process program for document). On neither document was my military violation listed. (Of course they would not be listed because Army rules and regulations are not listed as civilian violations of law.) Next, she studied to see if my military issues could be considered 'crimes of moral turpitude'. Of course they were not. Then, she verified if my issues were related to crimes against person or property. Again, no. My issues were 'violations of military regulations, not at all related in any way to 'crimes against person or property'. However, just to be sure that I had no criminal convictions on my Florida record, I presented to Ms. Pra a letter from the Florida "Office of Executive Clemency" which states: *"This office has determined after reviewing your case that you have no known felony convictions. Therefore you have not lost any civil rights in accordance with the laws of Florida . . . and we are returning your application to you"* Signed by one Julia McCall, Coordinator, dated 16 Sept 2011.

So, now knowing that my military issues alone did not bar her from hiring me, she then turned to my education records (B.S. and M.A. Degrees along with my many military schools such as Command & General Staff College); my military honors (Bronze Star for OIF5-6, two Meritorious Service Medals, four Army Commendation medals and two Honorable Discharges to name just a few. (See my Military Bio).

Lastly, Ms. Pra scoured my military performance, especially my skills, expertise, and history dealing with fixing broken and distressed units. My nine annual Office Evaluation Reports as a Field Grade Officer speak for themselves.

Her conclusion after looking all the "FACTS", Ms. Pra could not find a single reason as to why she could not / should not hire me and confirmed all the reasons why she could/should hire me to help her in her task to fix SVTA. In other words, in her opinion as the Administrator, I was the exact choice of an assistant that she needed to meet the tasks as directed by the SVTA Board. In Dec 2011, Ms. Pra asked me to leave my family and join her at SVTA.

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So, yet again, Sullivan's IG Team appears to make unfounded assertions, as in this case, when, in his Observation #3 (Hiring Practices), he states that a proper background check was not done by Mrs. Pra before hiring me. The FACT is Ms. Pra went above and beyond any requirement to be sure that she acted legally, morally and in the best interest of SVTA when she considered bringing me, with my expertise and proven success, on board to help her fix SVTA. Let's not forget, do remember that at the 2012 CTD's conference in Orlando, Chairman Ron Williams stated, and I quote *"the best thing this Board did was to hire Ms. Pra to take over SVTA. The best thing she did was bring in Mr. Bill."*

Also, remember that prior to 2011, there were NO personnel policies and procedures in place. After three months of drafting a viable and updated set of policies, SVTA, under Administrator Pra, did put in place a proper set of policies and procedures for hiring personnel, which was approved by the Board in March of 2012.

PAGE 35

Page 35 is Appendix A: Purpose, Scope, and Methodology of this FDOT OIG report. No response other than to note that this audit report ignored the first important rule of any IG investigation – look at causal factors that impact actions taken and then analyze corresponding results. Here it appears that this IG investigation had a preset agenda that it was to meet. Mr. Sullivan's Team appears to have tried its best to meet that intent, despite obvious facts and evidence which are contrary to their findings.

PAGE 36

Page 36 is for the response from Ms. Pra. No comment from me needed here since I have not reviewed said response.

PAGE 37

Page 37 is for my response and it is submitted.

PAGE 38

Page 38 is for the response from SVTA. No comment from me needed here since I have not reviewed said response.

PAGE 39

Page 39 is for the response from the CTD. No comments from me needed here since I did not review said response.

PAGE 40

Page 40 contains information that requires no response.

PAGES 41-45

Pages 41-45 show the Inter-Local Agreement for SVTA. No comment required.

PAGE 46

Page 46, Attachment B, which presents the IG Team's interpretation of the Inter-Local agreement. This page also begins to present 'Excerpts' from the so called '1983 Personnel Rules and Regulations'. These 'excerpts' are obviously invalid and do NOT belong in this IG report as concrete evidence exists to prove that during this audit's time frame, SVTA was operating under the SVTA personnel rules and regulations approved by the Board of Directors on 26 March 2012. It is incumbent upon the IG to remove any reference to these so called '1983 rules' which are in fact, nonexistent. If Mr. Sullivan's IG team wishes to ignore these facts and insist upon using these so called '1983 rules' as their authority for their findings, then it is incumbent upon the IG team to provide in this report evidence that these 1983 rules were approved, and in effect, by way of the same method they expected us to prove that the March 26 2012

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rules were approved and in effect. Furthermore, if the true SVTA Rules and Regulations in place are still to be ignored, then Mr. Sullivan's team must show why any action of the Board in 2012 should also not be ignored.

PAGE 47

Page 47 continues with Attachment B which also provides a "Position Description" for the Administrator Pra. No comment from me required.

PAGES 48 - 50

Pages 48-50, Attachment C, Personnel Rules Comparison, which tries to compare the March 26, 2012 SVTA rules and regulations to the so called '1983 rules' – the ones which Mr. Sullivan's Team provides NO evidence that such was ever approved or even recognized. Again it is incumbent upon the IG to remove these pages as concrete evidence proves that during the time frame for this audit, SVTA was being operated under the properly approved SVTA Rules and Regulations as adopted by the Board on 26 March 2012.

PAGES 51 & 52

Pages 51 and 52, Attachment D, Letter to Chairman, SVTA. No comment other than to say that FDOT needs to withdraw this so called "draft report" and/or address their faulty recommendations.

PAGES 53-55

Pages 53 through 55, Attachment E, Data regarding Administrator Pra's time sheets and time data analysis. I defer to the appropriate respondent's response, if any. I will add however that despite Mr. Sullivan's IG Report saying that there is an 'irregularity' regarding Ms. Pra's use of a sick day, I can attest that during my time at SVTA, Mrs. Pra NEVER took a sick day. Mr. Sullivan's Audit Team needs to provide evidence that Ms. Pra took a sick day.

PAGES 56-58

Pages 56 through 58, Attachment F, data regarding my time sheets and time data analysis. Many of the errors on this page could have been easily rectified had Mr. Sullivan's team simply sat down with the financial office and ask them about the concerns in question. Instead, it appears that Mr. Sullivan's team was more interested in a preset agenda than they were in determining facts. For example:

- 1) Though this table reports 19 time sheets missing the fact is, all timesheets are present an account for. This issue was discussed prior
- 2) For workweek 8/24 thru 9/6 2014, this table shows that a miscalculation was made in the stated comp time. A review of records show there was no miscalculation made. Had Mr. Sullivan's team consulted with SVTA finance dept., the error by the Audit Team would have been pointed out and thus the Audit Team would have found that no error exists.
- 3) Same with data for work week 2-22 thru 3-7.
- 4) Work week 10/1 thru 10/5 had a simple 'typo' error that would have been easily identified had Mr. Sullivan's Team asked when they found what they believed to be an error in calculation.
- 5) Work week 10/6 thru 10/19 further confirms that Mr. Sullivan's Audit Team could not understand the SVTA process. Had they only asked, they would have seen that they were simply misinterpreting the data on the time sheets / pay stub.

I will not go into other errors made by Mr. Sullivan's Audit Team, if any, other than to simply reiterate that the proper action by Mr. Sullivan's Audit Team would have been to seek answers first before making conclusions that turned out to be wrong.

For further explanation of the errors as reported on this table I defer to the SVTA financial team.

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PAGE 59

Page 59, Attachment G, my letter to Administrator Pra for an exception to policy regarding over time. The letter is self-explanatory. As previously discussed, and as is public record, the SVTA required an extensive amount of overtime to be worked by employees in order to bring SVTA out of its extreme state of distress. Employees worked diligently to meet the Administrator Pra's intents and goals. This required overtime, which the Administrator Pra had direct approval to allow. Due to the agency's mission, employees could not take their 'well earned' comp time at their discretion. Therefore, to give all employees their due compensation, and knowing that they could not take the time off, this letter for the exemption was submitted and approved. Based on circumstances beyond anyone's control -thanks to the lack of proper management and oversight by those responsible – the CTD, the NCFPC, and the ACHA - the Administrator Pra took the only reasonable course of action available to her at that time, which did not harm SVTA's financial situation in any way nor took away from the project's funding – Medicaid and TD.

PAGE 60

Page 60: Attachment H: I am not sure why Mr. Sullivan's Team put this letter into this report. This request was too applied ONLY to SVTA Bus Drivers (Non-Exempt) and not to management staff (Exempt). This request was not approved by the SVTA Board. {NOTE: After this request was rejected, my intent was to find another way to reduce OT for the bus drivers, which, as is well known, was excessive. The Board's rejection led me to learn about the FLSA Act so SVTA could have in place policies and procedures so that SVTA would become compliant with the Act. Remember, prior to this, there was NO such compliance in policy or procedure. After learning about the FLSA, I realized that this request to change the pay weeks in order to reduce the OT would have been in violation of the FLSA.]

PAGES 61 & 62

Pages 61 and 62, Attachment I, Ms. Pra's Employment Offer Letter. No comment required of me thus defer for Ms. Pra's response, if any.

PAGE 63

Page 63, Attachment J, Ms. Pra's Additional Comp Data. No comment required; I defer to Ms. Pra's response, if any.

PAGES 64 - 72

Pages 64 through 72, Attachment K, Letter to Powell & Jones with supporting documentation. No comment required, thus I defer to the author of the letter for a response, if any.

PAGES 73 - 75

Pages 73 through 75, Attachment L, Comparison of Ms. Pra's Average Hours. No comment required of myself; I defer to the appropriate respondent, if any.

PAGES 76 - 91

Pages 76 through 91, Attachment M, N, O, P and Q, Ms. Pra's time sheets, & data comparison analysis. No comment required of me; I defer to the appropriate respondent, if any.

PAGE 92

Page 92, Attachment R, My Additional Compensation. The only comment needed here is that the additional compensation awarded was earned. The product of my hard work, and long hours beyond the standard 40 hour workweek assisted in Administrator Pra's success in the complete transformation at SVTA from its pre Aug 2011 state. Therefore, this additional compensation was not only earned, but well deserved for a job well done.

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SUMMARY.

This audit report indicates that the Florida Commission for Transportation Disadvantaged (CTD) Stephen Holmes, Executive Director, expressed concerns over labor and fringe benefit data reported to that CTD by the Suwanee Valley Transit Authority (SVTA) and wanted a review to be done on SVTA.

In this audit report, FDOT-OIG appears to have found three (3) separate and distinct irregularities committed by SVTA in the course of its operations;

- 1) SVTA chart of accounts and general ledger are not maintained in accordance with accounting principles contained in or referenced by the contract terms and agreements; AND
- 2) SVTA failed to manage administrative personnel time sheets, leave, over time, and compensatory time resulting in an accurate labor and fringe benefit reporting, unsupported accrual of leave, and on allowed leave payments; AND
- 3) the SVTA Administrator Pra employed practices, without obtaining (SVTA) Board authorization, which resulted in her personal benefit and the benefit of the director of operations, which includes the Administrator Pra and director of operations receiving just under \$193,000 in on unallowable payouts beyond their salaries between June 2012 in March 2014.

All three of these findings and its analysis by this OIG Audit Team, is based on

- 1) Some set of rules and regulations that were non- existent during the time frame of this audit – even if they were ever in existence, which this audit fails to prove; and
- 2) An incorrect interpretation of the Fair Labor Standards Act; and
- 3) Flawed calculations of compensation, leave and work hour data along with failure to review documents that were present, available and were not missing as reported by the IG in this report.

As I stated up front, Mr. Sullivan and his staff have a duty, when performing an audit such as the one done on SVTA, to look at all causal factors that bear upon their findings. In this audit report, Mr. Sullivan and his staff failed to present an accurate and complete basis for their stated findings. The consequence of this failure by of the Audit Team, the FDOT-OIG puts out an audit report which presents inaccuracies, distortions, and perpetuates misunderstandings- all of which could have avoided by doing an audit on more than a small 28 month period when SVTA was at a highly stressed point and by consulting with all appropriate SVTA personnel.

THEREFORE, BASED ON THE PROVEN EVIDENCE WHICH I HAVE PRESENTED IN THE PREVIOUS 22 PAGES, AND BASED ON THE OBVIOUSLY FLAW ANALYSIS DONE BY MR. SULLIVAN'S AUDIT TEAM, I NON CONCUR WITH EACH OF THE SEPARATE AND DISTINCT IRRGULARITIES AS STATED BY THIS AUDIT TEAM.

ADDITION.

In this IG review, Mr. Sullivan's Team spent a great of effort looking at fiscal / financial issues for any irregularities as well as management irregularities that is alleged by Mr. Holmes, of the CTD, to have occurred during the time frame of this audit

During the time frame in question, I presented to Mr. Sullivan's Team two extreme 'irregular', if not illegal, actions and directives given to SVTA by Mr. Steve Holmes and his office – to include an order to 'cover up' the theft of public funds by a Medicaid Beneficiary. Both impacted SVTA's financial records. Mr. Sullivan's team was absolutely NOT interested in hearing either of these two cases and refused to consider these issues even though both actions were directed by Mr. Holmes' office and both occurred during the time frame of the audit and were within the scope of this SVTA audit.

The first case was the [REDACTED] case. The case file detailing the actions by both Mr. Holmes of the CTD and Ms. McKay of ACHA, and the specific rules violation, as well as the theft of Medicaid funds, is available for

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review, so I won't go into lengthy details here. The case file speaks for itself. To summarize, the [REDACTED] case involves a Medicaid sponsored trip out of state. IAW proper policy and procedures, SVTA took its responsibility to arrange proper transportation. SVTA designed three (3) adequate courses of action (COA) which would have met the mission at hand. Ms. McKay of ACHA rejected each COA, at which time SVTA was given a direct order to give the Medicaid Beneficiary 'cash' and let her make her own arrangements. SVTA was then ordered to give this Medicaid Beneficiary additional cash money to cover her costs if she got lost on her way. The CTD states that as long as we give the Beneficiary cash, we met our responsibility for making transportation arrangements. Nowhere in the CTD contract does this line of absurd reasoning exist. So, this Beneficiary took the cash and proceeded to transport her family to the appointment – on Medicaid funding. The Beneficiary used the Medicaid cash to feed her family and to stay in lodging more expensive than required under state's per diem rules. Upon her return, the Beneficiary refused to return the unspent cash. When this was reported to the CTD, SVTA was given a direct order by the CTD to "make the expense sheet match the cash received so not to show missing or unaccounted funds." Three problems here: (1) giving government's cash to a private party without conditions, review or supervision; and (2) spending more for per diem than required (and spending per diem on persons not eligible) and (3) ordering a cover up of the funds withheld by the Medicaid beneficiary. Thanks to the direct intervention by both Ms. McKay and Mr. Holmes, this Medicaid sponsored trip ended up costing Medicaid more than twice the original estimated cost of this Medicaid sponsor trip.

The second case involves a Medicaid Beneficiary who is clearly NOT eligible for Medicaid sponsored transportation. Again, see the case file on Medicaid Beneficiary [REDACTED]. When this issue was first brought up to Ms. McKay, she advised me "not to worry about the 5% that abuse the system. Be thankful you are helping the 95% who need it." When SVTA continued to pursue the need to 'follow the clearly stated rules for eligibility', Ms. McKay and the CTD stated that we could not prove that this Medicaid Beneficiary had his own 'working' transportation' as our word was not proof. Their conclusion was that SVTA need to "prove" that this Beneficiary he had his own working transportation. When we (legally) obtained videotaped evidence, we were order to ignore the evidence and provide this Beneficiary transportation despite what the rules state. This illegal action cost SVTA several thousand dollars each year, as this Beneficiary was one of the top users of Medicaid sponsored transportation. In this case, Ms. Godfrey and Ms. McKay along with Mr. Holmes, did everything in their power to thwart SVTA attempts in enforcing the Medicaid Eligible rules; with Mr. Holmes and Ms. McKay giving direct orders to transport this Beneficiary despite violating the eligibility rules. This of course diverted Medicaid Funds from eligible persons so this ineligible Beneficiary could have transportation at government expense.

In both cases, SVTA was given direct orders to violate clearly defined and stated rules, if not directed to take illegal action, which resulted in 'fraud, waste and abuse' of government funds. Though these actions taken by Ms. McKay, Ms. Godfrey and Mr. Holmes are clearly 'fraud, waste and abuse' of government funds, Mr. Sullivan's team refused to look into this as a casual factor of supposed SVTA expense account irregularities.

By this response, I again request that Mr. Sullivan's Audit Team take into account these two irregular, if not illegal, actions by the CTD. Both of these actions by the CTD occurred during the time frame of this audit, and both are clearly within the scope of this audit (both actions adversely impacted SVTA and had a direct bearing on the daily operating actions under scrutiny of this audit). This audit should review these actions and make their findings a part of this audit report.

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CONCLUSION:

Mr. Sullivan's IG Teams presents a 'draft' audit report that is based on a foundation that is seriously flawed in two ways.

First, Mr. Sullivan's Team bases its entire report on a set of rules and regulations supposedly passed in 1983, for which they cannot produce any evidence that such rules and regulations were in effect. In fact, these so called 1983 rules are nonexistent because, as concrete evidence shows, the only rules and regulations in effect during the time frame of this audit was the SVTA Personnel Policies and Procedures, passed by the SVTA Board of Directors on 26 March 2012. Mr. Sullivan's office must go back and conduct a proper analysis based on the true and only SVTA policies and procedures that were in existence during the time frame of this audit.

Secondly, Mr. Sullivan's Team bases its conclusion on an incorrect interpretation of the FLSA; specifically, on the incorrect theory that exempt personnel are not entitled to compensation for work beyond the standard 40 hour per week work, and that exempt employees are not eligible for compensation beyond their standard annual salary. Nowhere in the FLSA can support for such a ludicrous theory be substantiated. In fact, quite the opposite is true as the Act clearly states "(employers) *are not precluded by the Act from providing a wage higher than the statutory minimum, a shorter workweek than the statutory maximum, or a higher overtime premium (double time, for example) than provided by the Act.*" This ACT is a minimal standards act that protects the non-exempt employee. It does not preclude an employer from exceeding the minimal standards, and for SVTA, the Personnel Policies, and Procedures, as approved by the SVTA Board on 26 March, allows.

In the end, it appears that Mr. Sullivan's IG team had a pre-set agenda with its goal and intent being to disgrace SVTA and its management team. This appearance is plain when considering the evidence presented in this report by the IG Team, such as:

- (1) Making outright false statements like saying that nine of my time sheets were missing; and
- (2) Refusing to take the preponderance of the evidence presented to them which would reasonably lead anyone to believe that the Board did approve the set of SVTA Rules and Regulations on 26 March 2012, but instead, used a set of so called 1983 rules - despite the fact that they could not produce any record, of any kind, that those said rules were ever in effect and then base their analysis on those set of non-existent 1983 rules; and
- (3) Making erroneous assumptions regarding over time compensation and leave balances without consulting with those who figured up the compensation and leave accounts; and
- (4) Refusing to review 'directed orders' by the CTD, (the one who ordered this audit), to SVTA to cover up fraud, waste and abuse of government funds and services; and, most important
- (5) Refusing to even consider the state of SVTA and the lack of action by oversight parties such as the CTD, the Gainesville office of ACHA and the NCFPC-LCB prior to the time frame of this audit to see if such a state could have been a causal factor in the actions that the Administrator Pra was forced to take in order to bring SVTA into compliance with state and federal laws.

This 'draft' IG report has resulted in a gross failure in what appears to be an staged attempt to impugn Administrator Pra and her staff because they stood up to the antics of the CTD, ACHA and NCFRPC-LCB and demanded that SVTA be run correctly, and did run SVTA correctly, without any assistance, financially or otherwise from the state agencies designed to assist SVTA or from the three counties that own and oversee SVTA.

As I stated up front, Mr. Sullivan and his staff, when performing an audit, has a duty to look at all causal factors that are within the scope of the audit and that bear upon the audit's findings. In this audit report, Mr. Sullivan and his staff fails to present an accurate and complete basis for their stated findings. The

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consequence of this failure by the FDOT-OIG puts out an audit report which presents inaccuracies, distortions, and misunderstandings- all of which could have avoided simply by doing an audit on more than a small 21 month period; a period when SVTA was working through its most distressed point and by using the correct SVTA Policy and Procedure manual – the one dated 26 March 2012.

Since this is only a “draft” report, Mr. Sullivan has a duty to order and direct his Audit Team to

A: Rework this entire audit using the SVTA Rules and Regulations that were approved and in place during the time frame of this audit; and

B: When any question surfaces, consult with, and seek answers from, SVTA’s personnel on duty during that time frame , first and foremost, before making comments that turn out to be erroneous; and

C: Then look into and state in this report, the issues of fraud waste and abuse actions forced upon SVTA by the CTD, ACHA and the NCFPL-LCB which negatively impacted SVTA with regards to the specific scope of this audit.

I am available to Mr. Sullivan’s team should it be requested.

Respectfully submitted

W. Bill Steele
Previous Director of Operation, SVTA 11-2011 thru 04-2014

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ATTACHMENT U – Contracted Entity Response – SVTA

In accordance with Section 20.055(5)(e), Florida Statutes, as a specific entity contracted with the state, SVTA was provided an opportunity to respond to the findings contained herein. SVTA's response is provided below.

Suwannee Valley Transit Authority (SVTA) response to Advisory Report No. 141 – 9022

Date: January 16, 2015

The Advisory Report contains three (3) findings: (1) Non-compliance with required accounting principles; (2) Insufficient time and attendance reporting and (3) questioned compensatory leave payouts. This response will address each finding in turn.

Finding 1:

The independent financial audit of SVTA's books and records by Powell & Jones for FY 2012 and FY 2013 did address the issue of whether the financial statements were being prepared in accordance with Generally Accepted Accounting Principles (GAAP). In the FY 2013 audit, all findings concerning GAAP were resolved, according to Powell & Jones. Due to the last two (2) independent audits both the SVTA staff and Board believed SVTA's Chart of Accounts and General Ledger were maintained in compliance with GAAP. However, the Board and staff of SVTA look forward to working with the Department to implement any further corrections deemed necessary.

Finding 2:

All employees, including exempt employees, now use a time clock to record when they begin and end their respective work day. Any claim for compensation, either in money or comp time, not supported by time clock records will be denied.

The report specifically mentions 19 missing time records for the former Director of Operations, William Steele. Those records have been located and true and correct copies are attached for your review.

Finding 3:

At its meeting on Tuesday, August 12, 2014, the Board amended the comp time policy to provide that comp time will be earned on an hour for hour basis. Accrual of comp time will be based on the 80 hour pay period. At its meeting on Tuesday, January 13, 2015, the Board further amended the comp time policy to provide that exempt employees, supervised by the Administrator, must obtain the Administrator's approval prior to accruing comp time. The accrual of comp time by the Administrator must be approved by the Chairman of the Board. In both cases the comp time must be taken within 30 days of the end of the pay period in which the comp time was accrued or it will be lost. The Administrator will make a report to the Board at its next meeting reporting who, why and how comp time was earned.

Miscellaneous:

Several months ago the Board hired a secretary to take minutes of all Board meetings. The Board is pursuing having the minutes, as well as its agenda packets scanned and electronically preserved.

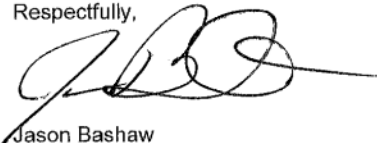
**Office of Inspector General
Florida Department of Transportation**

The interlocal agreement creating the SVTA is currently under revision and updating. This process is expected to take approximately three (3) months to complete.

Finally, the Board is taking and will continue to take a more pro-active role in its oversight of the operations of SVTA. While being more pro-active in its oversight, the Board will avoid micromanaging the SVTA.

This response was approved and adopted by the Board of Governors of the Suwannee Valley Transit Authority at a special meeting called for that purpose on January 16, 2015. Present and voting in favor of adoption were Commissioners Bashaw, Burnham, Brown, Nash and Phillips. Commissioner Sessions appeared by telephone and was, therefore, unable to vote.

Respectfully,

A handwritten signature in black ink, appearing to be 'JB', with a long horizontal line extending to the right.

Jason Bashaw
Chairman
Suwannee Valley Transit Authority

ATTACHMENT V – Inspector General Response to Affected Parties Submissions

Suwannee Valley Transit Authority (SVTA)

We reviewed the Suwannee Valley Transit Authority (SVTA) response to Advisory Report No. 14I-9002, dated January 16, 2015. To clarify the outcomes for Finding 1 – Non-compliance with Required Accounting Principles, we offer the following additional comments.

SVTA's response letter, stated:

The independent financial audit of SVTA's books and records by Powell & Jones for FY 2012 and FY 2013 did address the issue of whether the financial statements were being prepared in accordance with Generally Accepted Accounting Principles (GAAP). In the FY 2013 audit, all findings concerning GAAP were resolved, according to Powell & Jones. Due to the last two (2) independent audits both the SVTA staff and Board believed SVTA's Chart of Accounts and General Ledger were maintained in compliance with GAAP.

OIG Comment:

To achieve compliance with the Federal Department of Health and Human Services funding, pursuant to 45 C.F.R. 74.21(b)(2), SVTA shall demonstrate appropriate application of funds [**expenditures**], obligations [**liabilities**], unobligated balances [**unused program funds**], assets, and outlays [**expenditures**]. In addition, per 2 C.F.R. 225 SVTA shall demonstrate that non-allowable costs [**expenditures**] are not charged to specific revenue sources. This requires the use of separate **expenditure** accounts within an existing accounting system or independent project accounts.

To address SVTA's response, we obtained additional supporting documentation for SVTA's 2012 and 2013 Schedules of **Expenditures** of Financial Assistance (SEFAs).⁵³ This supporting documentation revealed their reported federal and state program expenditure amounts were actually SVTA's program **revenue** amounts. SVTA has been unable to provide a separate accounting of program **expenditures**. SVTA's chart of accounts does not contain separate expenditure accounts (or subaccounts for each program) to allow for matching of expenditures to program revenues (e.g., Medicaid, TD, 5311 operating revenues, and Charter Services). Therefore, SVTA's Chart of Accounts is accurately described in the finding as non-compliant.

⁵³ At pages 28 and 30 of the 2012 and 2013 Audited Financial Statements, respectively. The SEFA is supplementary information prepared by the auditee (SVTA) and is an important part of the reporting package required by Office of Management and Budget Circular A-133. The auditor is required by Circular A-133 to determine and provide an opinion on whether the SEFA is presented fairly in all material respects in relation to the auditee's financial statements as a whole. The information in the SEFA also serves as the primary basis for the auditor's major program determination, which is a key component of performing a single audit.

William H. Steele

We reviewed Mr. Steele's response to Advisory Report No. 14I-9002, dated January 15, 2015. Although Mr. Steele's response questioned the OIG's objectivity in performing this engagement, suggesting the review specifically targeted Ms. Pra and him, the OIG conducted the engagement in accordance with professional standards and clearly defined objectives. The work performed involved a review of SVTA's payroll and time and attendance records. The discovery of significant payouts of compensatory leave time to salaried, exempt employees led the audit team to further examine and verify the extent of and authority for these payouts.

We categorized Mr. Steele's response into the following seven primary topic areas.

1. Audit Time Period

Mr. Steele's response stated:

This audit report fails to make any mention as to the condition of SVTA prior to this specific period [June 30, 2012 – March 7, 2014] of time.

OIG Comment:

This review was initiated to answer a specific question posed by the Commission for Transportation Disadvantaged (Commission) in reference to labor and fringe benefit data reported by SVTA on its 2012-13 annual operating reports. To address the Commission's concerns, the OIG developed a set of objectives and test steps to determine the validity of the questioned data. Our review did not include periods before fiscal year 2012-13, as these periods were unrelated to the Commission's stated concern.

2. SVTA's Compliance with Generally Accepted Accounting Principles

Mr. Steele's response stated:

SVTA chart and accounts and general ledger are maintained in accordance with generally accepted accounting practices (GAAP), and follows section 7.10 of the TD contract....

OIG Comment:

See our response above regarding SVTA's compliance with the relevant laws, rules, and regulations as they relate to its general ledger and chart of accounts.

3. 2012 SVTA Personnel Rules and Regulations (2012 Rules)

Mr. Steele's response stated:

While he [OIG Report] may be correct that the 2012 SVTA Rules and Regulations were not approved "BY RESOLUTION" of the Board, the Board did in fact approve the 2012 SVTA Rules and Regulations.

OIG Comment:

Although Mr. Steele asserts that the Board approved the 2012 Rules, no evidence has been provided by Mr. Steele or others of Board approved policies allowing the "cashing in" of accrued compensatory leave time by salaried, exempt employees. After publication of our draft advisory report, we reviewed an audio recording transcript referenced by Mr. Steele and published on the Columbia County Observer website on January 5, 2015, as well as unsigned minutes of the June 25, 2012 SVTA Board meeting provided to SVTA by Richard Powell of Powell & Jones, CPAs. Neither of these documents provided evidence of Board approval.

4. Missing Timesheets

Mr. Steele's response stated:

... the so called 19 missing time sheets are NOT missing and now are back in the binder and available.

OIG Comment:

SVTA has provided the OIG with timesheets and supporting leave requests for 17 of the 19 workweeks in question. SVTA could not provide supporting documentation for workweeks 5/18/13 – 5/31/13. SVTA staff stated that Mr. Steele was on leave for these two workweeks and indicated that a leave request form should be on file, but could not be located. The information provided by SVTA was reviewed and has been included in the OIG's time and attendance analysis.

5. Fair Labor Standards Act

Mr. Steele's response stated several points concerning the report's reference to the Fair Labor Standards Act (FLSA).

OIG Comment:

While the FLSA does not specifically prohibit employers from compensating exempt employees for time worked beyond their pre-established work schedules, the decision to implement such a practice rests with the governing body of the employer. In the case of SVTA, the OIG did not find evidence to demonstrate that the SVTA Board approved the practice of paying out comp time to salaried,

exempt employees. In addition, the 1983 SVTA Personnel Rules and Regulations specifically prohibited this practice for exempt employees.

6. Gwen Pra's Sick Days

Mr. Steele's response stated:

I will add however that despite Mr. Sullivan's IG Report saying that there is an 'irregularity' regarding Ms. Pra's use of a sick day, I can attest that during my time at SVTA, Mrs. Pra NEVER took a sick day. Mr. Sullivan's Audit Team needs to provide evidence that Ms. Pra took a sick day.

OIG Response:

Evidence concerning Ms. Pra's sick days are included on pages 63-64 of the report (Attachment K). The constructed timesheets, which include the sick days in question, were signed by Ms. Pra and provided by SVTA to Powell & Jones, CPAs.

7. Time and Attendance Calculations

Mr. Steele's response questions time and attendance calculations for the following workweeks: 10/1/12-10/5/12, 10/6/12-10/19/12, 8/24/13-9/6/13, and 2/22/14-3/7/14.

OIG Comment:

All calculations have been reviewed and determined to be accurate as reported. The OIG acknowledges that the error described as "Comp time not deducted on LLS" for pay period 10/6/12-10/19/12 should have been applied to the previous pay period and was corrected in the final report.

**Office of Inspector General
Florida Department of Transportation**

ATTACHMENT W – Commission for Transportation Disadvantaged Response



Rick Scott
Governor

David Darm
Chairperson

Mike Willingham
Vice Chairperson

Steve Holmes
Executive Director

February 9, 2014

Mr. Robert E. Clift
Inspector General
Florida Department of Transportation
605 Suwannee Street, MS-44
Tallahassee, FL 32399

Dear Mr. Clift:

The Commission appreciates the diligence with which the Office of the Inspector General used to answer our concerns about Suwannee Valley Transit Authority's labor and fringe benefits reporting. The Commission will share information contained in this report with Community Transportation Coordinators to reduce the likelihood of these findings occurring again.

Sincerely,


Steve Holmes
Executive Director

SH/vc

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